#### **Narrative Statement**

# **Background**

The Merrillville Conservancy District (the "District") acquired the Community Utilities, Inc. sanitary sewer collection system and wastewater treatment plant during the summer of 2001. The prior owner of the system installed the sewers to service developing residential subdivisions. The sewage was then pumped to the Community Utilities wastewater treatment plant.

As owner of the system, the District has entered into an Agreed Order with the Indiana Department of Environmental Management ("IDEM") whereby the District has three years to eliminate sewage overflows from the Community Utilities gravity sewer collection system.

#### **Project Location and Service Area**

The Community Utilities sanitary sewer collection system serves approximately 880 homes in the Innsbrook, Bel-Oakes, Wright Manor, and Bon Air Subdivisions located on the west side of Merrillville, Indiana in Lake County.

## **Project Scope**

This project incorporates a sewer evaluation, the preparation of plans and specifications, and completion of sewer rehabilitation required to reduce inflow and infiltration and to repair the collection system to eliminate the two (2) active overflow points.

The sewer evaluation will include televising approximately 60,000 lineal feet of sewers, together with smoke testing the entire system, and dye testing as needed.

, and installing flow monitors at approximately 5 key manhole locations. Once completed, a sewer system evaluation survey ("SSES") will be compiled to develop recommendations for corrective action. Plans and specifications for sewer rehabilitation will be prepared once the District selects the desired alternatives for rehabilitating the sewer system based on the SSES. The construction of the sewer rehabilitation will begin as soon as plans and specifications have been approved and the contractor has been selected through the formal bidding process.

The SSES will be completed by October 2002 and the plans and specifications for sewer rehabilitation will be completed by April 2003. Construction should be completed by December 2003.

# **Project Costs**

The estimated project costs for the Sanitary Sewer Overflow Elimination and Rehabilitation Project are listed below. Because the amount and extent of the sewer rehabilitation portion of the project cannot be determined until after the completion of the SSES, the project costs for construction are rough estimates.

Item Description	Cost Estimate
Sewer Televising (Bid Price)	\$117,800
Flow Monitoring	\$40,000
Preperation of SSES	\$35,000
Design Engineering	\$244,000
Aerial Mapping	\$20,000
Sewer Rehabilitation Construction	\$1,343,200
Contiingency	\$200,000
TOTAL PROJECT COST:	\$2,000,000

#### **Environmental Assessment**

# **Project Title**

Sanitary Sewer Overflow Elimination and Rehabilitation Project

#### **Proposer**

<u>Owner</u>

Merrillville Conservancy District 6250 Broadway Merrillville, IN 46410 Christine Savarese, Director Telephone: 219-980-5220

Facsimile: 219-980-5220

# **Project Location**

Town of Merrillville located in Lake County, Indiana

#### **Purpose and Need for the Proposed Action**

a. The Merrillville Conservancy District (the "District") has entered into an Agreed Order with the Indiana Department of Environmental Management ("IDEM") whereby the District has three (3) years to eliminate sewage overflows from the Community Utilities gravity sewer collection system. A copy of this order is attached to this Environmental Assessment.

The Community Utilities sanitary sewer collection system has two (2) overflow points. These overflow points were installed in order to prevent sewage from entering residential basements during high flow events. The peak flows seem to result from high levels of Inflow and Infiltration ("I/I"). This project will greatly reduce or eliminate the regular occurrence of overflows into Turkey Creek and Bothwell Ditch, thereby eliminating a health hazard and a pollution problem. In additional, the project will allow further development to occur in the immediate area, thus creating jobs.

- b. This project is not a subsequent stage of an earlier project.
- c. Upon completion of the Sanitary Sewer Overflow Elimination and Rehabilitation Project, the District will connect the Community Utilities sewer system to the District's collection system so that the sewage will be piped to the Gary Sanitary District for final treatment. Once the connection is complete, the District will abandon the two (2) existing wastewater treatment plants, both of which currently act as overflow points for the system during high flow events.

Both these future projects and the construction of the sewer rehabilitation will require an IDEM construction permit. All three of the projects, the Sewer Overflow Elimination Project, the Connection to MCD Project, and the WWTP Closure projects, will be completed by October 2004.

#### **Alternative Ways of Meeting Objectives**

- No Action: This alternative will subject the District to penalties and fines for not complying with the Agreed Order. Also, the no action alternative will not solve the pollution problems nor the economic and sociological problems concerning the regular occurrence of sewage backups into neighborhood homes.
- Any Alternatives: Any deviation from the activities outlined in the Agreed Order may subject the District to fines and penalties. Therefore, the sewer system evaluation survey and design for the sewer rehabilitation will progress according to the Agreed Order.

# **Project Magnitude Data**

- The sanitary sewer collection system comprises approximately 57,750 lineal feet of sewers ranging in diameter from 8" to 18". The sewer evaluation, together with smoke testing, televising and flow monitoring will dictate how much of the total system will be affected during the sewer rehabilitation portion of the Elimination of Sewer Overflows Project.
- The collection system provides sanitary sewer service to approximately 880 homes.
- No new buildings will be constructed as a result of this project.

# **Permits and Approvals Required**

Several permits will be required for the construction phase of this project. The current list of permits required is shown below. At this time, early coordination letters are being sent to governmental entities pursuant to the requirements of the National Environmental Policy Act ("NEPA"). The following entities will receive early coordination information:

- Indiana Department of Environmental Management ("IDEM")
- Indiana Department of Natural Resources
- Indiana Geological Survey
- Indiana State Department of Health
- Natural Resources Conservation Service
- State Historic Preservation Office ("SHPO")
- U.S. Army Corps of Engineers
- U.S. Department of Interior

Further, known required permits are listed in the following table:

<b>Unit of Government</b>	Type of Application	<u>Status</u>
IDEM	Construction Permit	Application after design completed
Indiana Department of Transportation ("INDOT")	Right-of-way Permit	Application after design completed
County Drainage Board	Rule 5 Notification	Application prior the start of construction
Town of Merrillville	Local Streets	Application prior the start of construction

#### Land Use

The project area is the site of four (4) residential subdivisions: Innsbrook, Bel-Oakes, Wright Manor, and Bon Aire. The land use of the project area will not change once the project is completed. At this time, there are no known underground storage tanks within the project area. However, construction activities may occur near underground gas and other utility lines. Each utility in the area will be contacted for identification and location of the respective underground utility lines.

All sewer rehabilitation construction activities will occur within existing right-of-way or easement locations. The sewer rehabilitation project will improve the condition of existing sewer lines. At this time, no additional sewer lines will need to be added, nor will locations of any existing sewer lines be moved.

#### **Cover Types**

		Before (Acres)	After (Acres)
Wetlands		0.00	0.00
Wooded/Forest		0.00	0.00
Brush/Grassland		0.00	0.00
Crop/Farmland		0.00	0.00
Lawn/Landscaping		4.0	4.0
Impervious Surfaces Other		4.0	4.0
	Total	8.0	8.0

#### Fish, Wildlife, and Ecologically Sensitive Resources

a. The construction phase of this project will not directly cross any habitats for fish or wildlife resources because the area is already developed into a residential area and no previously undeveloped areas will be touched.

Further, even though the two (2) overflow points discharge into Turkey Creek and Bothwell Ditch, the two (2) discharge locations will not be included in the project rehabilitation because these points will eventually be eliminated during a subsequent stage of this project. Therefore, since these segments of sewer line will eventually be abandoned within three (3) years, no efforts will be made to enhance the quality of these sewer segments.

However, the sewer collection system will likely cross both Turkey Creek and Bothwell Ditch. At this time, it is has been determined that the system crosses Turkey Creek at a point south of the lift station. The crossing is for the force main that conveys the sewage to the treatment plant. However, this force main is beyond the project area for this project. Therefore, the project will have no effect on the crossing at Turkey Creek.

Also, the system will likely cross Bothwell Ditch as well. However, because the sewer system evaluation survey has not been completed, the location of the ditch crossing has not yet been determined. However, all construction activities will be permitted as required by the Lake county Drainage Board or DNR, or both.

b. Are any federal or state-listed endangered, threatened or special concern species, rare plant communities or other sensitive ecological resources such as native prairie habitat, colonial waterbird nesting colonies or regionally rare plant communities, etc. on or near the site? \_\_\_\_ Yes \_X\_ No

At this time, it is not anticipated that any endangered, threatened or special concern species are on or neat the site. However, the early coordination process has begun and no comments have been received from the Indiana Department of Natural Resources—Fish and Wildlife Division or the U.S. Department of the Interior, identifying any such environmental resources.

#### **Historic Preservation**

Does the project have the potential to affect resources listed in or eligible for listing in the National Register of Historic Places? \_\_\_\_ Yes \_X\_ No

At this time, it is not anticipated that any historic properties are within the project planning area. However, the early coordination process has begun and no comments have been received from the State Historic Preservation Officer ("SHPO") identifying any such historical resource.

#### **Environmental Justice**

While no income survey has been performed, a portion of the project services apartments whose residents likely fall in the moderate-income category. Also, older portions of the project area contain homes approximately 40 years old. Many of these residents are likely in the moderate or fixed income category.

This project will greatly reduce or eliminate the regular occurrence of sewer system surcharges that cause sewer backups into homes. This will eliminate the physical and economic stresses of cleanup, repair, and replacement associated with cleanup and restoration following a sewer backup.

#### Physical impacts on water resources

Will the project involve the physical or hydrological alteration (e.g. dredging, filling,
vegetation cutting/removal, stream diversion, outfall structure, diking, and impoundment,
etc.) of any surface waters such as a lake, pond, stream or drainage ditch?
Yes <u>X</u> No

#### Wetlands

The project will not involve installation or abandonment of any wetlands because no wetlands are included in the project area.

#### **Water Use**

Will the project involve installation or abandonment of any water wells, connection to or changes in any public water supply or appropriation of any ground or surface water (including dewatering)? X Yes \_\_\_ No

Although no preliminary soil surveys have been made, it is possible that the rehabilitation work may involve construction dewatering if any sewer lines must be replaced. Dewatering would only be temporary and in the immediate area of the trench. The amount and extent of dewatering involved can only be determined after the evaluation and design phase of the project are completed.

#### Water-related Land Use Management District

Does any part of the project involve a shore land zoning district, a delineated 100-year floodplain, or state or federally designated wild or scenic river land use district?

\_\_Yes \_X\_No

Is the project located within a U.S. EPA designated sole source aquifer? \_\_Yes \_X\_No

#### **Erosion and Sedimentation**

Approximately 8 acres of soil will be affected during sewer rehabilitation. However, at this time it is unknown what percentage of that total acreage will be excavated and replaced. When possible trenchless technology and directional drilling will be used and may significantly reduce the amount of soil to be excavated.

# Water Quality: Surface Water Runoff

- a. The quality of surface water runoff will not change as a result of this project. Further, the water quality of the surface water runoff will not be affected by the completion of this project. However, during the construction phase, it is possible that rain events will cause some soil and dirt particles to wash into surface water runoff. However, this event will be minimized by the use of trenchless technologies and soil erosion control measures.
- b. The sewer televising, flow monitoring, or rehabilitation design portions of this project will not affect the quality of the water runoff into either Turkey Creek or Bothwell Ditch. During sewer rehabilitation construction, the runoff may contain more soil particles than normal due to excavation activities. However, after completion of sewer rehabilitation, the surface runoff will return to its pre-project quality.

#### **Water Quality: Wastewaters**

- a. Residential wastewater is produced in the project area and is collected and treated in the former Community Utilities wastewater treatment plant. The treated flow at the treatment plant ranges from approximately 0.17 MGD to 0.60 MGD at peak flow.
- b. The wastewater treatment facility is a Class II, 0.35 MGD contact stabilization plant consisting of a comminutor, an aeration tank, chemical feed for phosphorus removal, and one finishing lagoon. The facility has been operating within NPDES permits limits. These limits are listed in the following table. The effluent is discharged into an unnamed ditch that flows into Turkey Creek.

This project will affect the composition of the wastewater discharged through normal treatment in that the unauthorized discharges at the two (2) overflow points will be eliminated. However, the amount of wastewater may decrease as a result of the elimination of inflow and filtration.

Also, the system is connected to two (2) overflow points. One overflow point discharges to Turkey Creek through an unnamed ditch and bypasses the wastewater treatment plant. The second overflow point discharges into a Bothwell ditch. These two overflow points will be eliminated after completion of the SSES and construction of the sewer rehabilitation project. The elimination of these two points will improve the water quality in Turkey Creek.

Parameter	NPDES Limit				
<del></del>	Monthly Average	Weekly Average			
Ammonia					
Winter	3.0 mg/l	4.5 mg/l			
Summer	1.5 mg/l	2.3 mg/l			
Total Suspended Solids	10 mg/l	15 mg/l			
CBOD <sub>5</sub>	10 mg/l	15 mg/l			
Phosphorus	1.0 mg/l				

- c. NO direct improvements will be made to the wastewater treatment plant. However, reduced I/I may indirectly improve the wastewater treatment plant. This facility is designed to handle the volume of flow generated and collected by the system. However, the facility will be abandoned after the completion of this project in an effort to regionalize with the Merrillville Conservancy District.
- d. This project does not require the disposal of liquid animal manure.

# **Geologic Hazards and Soil Conditions**

a.	Approximate depth (in feet) to ground water:	minimum	average
	to bedrock:	minimum	_average <u>±1 00</u>

The project area does not contain any geological site hazards such as sinkholes, shallow limestone formations, karst conditions, or earthquake prone areas.

b. The project area spreads over a variety of different soils. The classifications and descriptions are each listed below.

#### Carlisle Muck, Ca

This soil slopes between 0 to 2 percent. Included with this soil are small areas of muck that is less than 42-inches deep over clay, silt, sand, or marl. This soil is deep, very poorly drained, and organic soil.

### Darroch loam, Da

This soil consists of deep, somewhat poorly drained, medium-textured soils. These soils are nearly level and occur on lake and outwash plains. Because these soils are nearly level, surface runoff is slow.

#### Del Rey Silt loam, dark colored variant, DI

This soil is deep, somewhat poorly drained, medium-textured soils. It is nearly level and occurs on glacial lake plains. Typically, the surface layer is silt loam about 13 inches thick. This soil has high available moisture capacity, has good

tilth, and responds well to proper management. It is high in organic-matter content. Permeability is slow and runoff is very slow.

#### Elliot silt loam, El

This soil includes Markham silt loam that has slopes of less than 2 percent and of Pewamo silty clay loam depressions. Runoff is slow, and the erosion hazard slight. Wetness is the major limitation. An adequate drainage system is needed to remove excess water.

# Lydick Loam, 2 to 6 percent slopes, LyB

This soil slopes 0 to 2 percent and includes nearly level Lydick loam with a fine sandy loam or silt loam surface layer. Available moisture capacity and permeability are moderate. Surface runoff is slow. Erosion hazard is only slight because slopes are short.

#### Milford silty clay loam, Mr

This soil consists of deep, poorly drained medium-textured and moderately fine textured soils. Wetness is the major limitation and an adequate drainage system is needed. Tilth is poor.

#### Milford silt loam, overwash, Mo

The surface layer of this soil is silt loam. The silt loam extends from the surface to a depth of 8 to 20 inches. Wetness is the major limitation and an adequate drainage system is needed.

#### Morley silt loam, 2 to 6 percent slopes, MuB

This soil is deep, moderately well drained, medium-textured and moderately fine textured soils that are gently sloping to steep. Morley silt loam is found along drainage ways and streams or on small knolls. This Morley soil has only moderate limitations, and crops grow well on it.

#### Pewama silty clay loam, Pc

This soil is nearly level or depressional, and it occupies swales, narrow drainage ways, and broad flats. Wetness is the major limitation. Runoff is very slow or ponded in more level areas. Tilth is poor.

# Solid Wastes, Hazardous Wastes, Storage Tanks

- a. No solid animal manure, sludge or ash will be produced during construction.
- b. No toxic or hazardous materials will be present of used at the project site.
- c. No underground storage tanks used to store petroleum products or other material are located within the project area.

Traffic Parking spaces added:	0
Estimated total average daily traffic generated:	No new traffic will be generated as a result of this project
During the construction phase, the project will he the locations where the sanitary sewer lines rur efforts will be made to reduce the impact of the residents.	n along side of roads and streets. All
Vehicle Related Air Emissions This project will not generate any significant income area except for trucks and other equipment that and transport materials. However, upon project of traffic will not be changed from its pre-project state.	will be used to rehabilitate the sewers completion, the air quality as caused by
Stationary Source Air Emissions This project will not create any stationary source carbon dioxide, methane, nitrous oxide, chlo perfluorocarbons, or sulfur hexaflouride.	
Odors, Noise and Dust Will the project generate odors, noise or dust du XYes No	uring construction or during operation?
The construction equipment may generate noise the noise, typically construction activities will o 7:00 A.M. to 7:00 P.M and not on holidays. The the intensity will be normal for construction equipment and provide dust	ccur between Monday through Friday duration of the noise will be short and pment. Contractors will be required to
Nearby Resources	situ to the second one of
Are any of the following resources on or in proxim	
Archaeological, historical, or architectural resource. Prime or unique farmlands or land with an agricul Designated parks, recreation areas or trails? Scenic views and vistas? Yes _X No Unique or rare wetland areas such as bogs, fens, Other unique resources? Yes _X No	tural preserve? Yes _X_ No Yes _X_ No
Visual Impacts	
Will the project create adverse visual impacts du glare from intense lights, lights visible in wilderne cooling towers or exhaust stacks?Yes _X_	ss areas and large visible plumes from

# **Compatibility with Plans and Land Use Regulations**

The project is not subject to an adopted local comprehensive plan, land use plan or regulation, or any other applicable land use, water, or resource management plan of a local, regional, state or federal agency.

## Impact on Infrastructure and Public Services

Will new or expanded utilities, roads, or other infrastructure or public services be required to serve the project? \_\_\_ Yes \_X\_ No

This project is a sanitary sewer infrastructure improvement project. The service to the homes currently served by the sanitary sewer collection system will not be suspended during the project, nor will service be terminated upon completion of the project.

However, upon completion of the rehabilitation phase of this project, some sewer pipes may need to be increased in size in order to properly handle existing flows.

### **Cumulative Impacts**

Upon completion of the Sanitary Sewer Overflow Elimination and Rehabilitation Project, the District will connect the Community Utilities sewer system to the District's collection system so that the sewage will be piped to the Gary Sanitary District for final treatment. Once the connection is complete, the District will abandon two existing wastewater treatment plants, both of which currently act as overflow points for the system in high flow events. However, all projects in this area will be completed by October 2004.

#### Relocation

People will not be relocated because of this project.

# **Population Characteristics**

The population may change once the remaining properties are developed into residential homes or apartments. Further, temporary workers will not relocate to the project service area and therefore, the area will not experience an influx and outflow of temporary workers.

# **Community Structures and Institutions**

This project will not result in changes in established links between neighboring or associated localities.

This project will not result in changes in family networks, business networks, or other social networks.

This project is consistent with local and regional economic development plans.

Completion of this project will allow further development of the immediate area thereby creating job opportunities. Transit options will not be affected once this project is completed. During construction, however, maintenance of traffic may be required to

maintain access to the local roads in the communities. At all times, construction activities will be such that interference with traffic is minimized.

This project will not cause changes in cultural characteristics.

# **Quality of Life**

Once completed, the local perceptions of risk, health and safety will increase as residents will no longer be subject to the pollution problems caused by the sewer overflows nor the economic concerns associated with restoring basements.

This project does not foreclose other options in the community's long terms plans or cause changes in trust of any decision-making or planning institutions.

The community has not expressed increased concerns about relocation or displacement as a result of this project.

This project will not result in diminished opportunities for quality of life for any of the effected populations. In fact, the quality of life will likely increase due to the elimination of the pollution problem and the occurrence of sewage backups into neighborhood basements.

At project completion, the Agreed Order requires a one-year performance period where the District must assure that no un-permitted overflows occur in the collection system.

# Other Potential Environmental Impacts

This project will not cause any adverse environmental impacts not previously addressed in this Environmental Assessment.

#### **Summary of Issues**

Before construction activities can begin in summer of 2003, the early coordination process must be completed and all permits must be on file. The early coordination letters will be sent out within the next month.

Preliminary January 25, 2002

knowledge. The Environmental Asset	cument is accurate and complete to the best of my essment describes the complete project; there are ents other than those described in this document, nnected actions or phased actions.
Signature Title	Date



June 25, 2002

Irene Cook STPB WS15J U.S. EPA 77 West Jackson Boulevard Chicago, IL 60604

RE: Merrillville Conservancy District Community EPA Grant

Dear Ms. Cook:

Enclosed you will find the following items:

- Statement of Work
- Updated form 424 Application for Federal Assistance
- Updated form 424A Budget Information

If you have any comments regarding this project please feel free to contact me at (317) 780 7253.

Sincerely,

R. W. ARMSTRONG & ASSOCIATES, INC.

Roger D. Kelso P.E. Senior Project Manager

P. 317.786.0461

F. 317.788.0957

800.321.6959

APPLICATION FOR OMB Approval No. 0348-0043

FEDERAL ASSISTA	NCE	1/18/02		Applicant Identifier	
1. TYPE OF SUBMISSION:		3. DATE RECEIVED BY	Y STATE	State Application Identifier	
Application Construction Non-Construction	Preapplication Construction Non-Construction	4. DATE RECEIVED BY	Y FEDERAL AGENCY	Federal Identifier	
5. APPLICANT INFORMATION Legal Name: MerrillvilleCCons	servancy Distric	t	Organizational Unit: Merrillvi	lle Conservancy District	
Address (give city, county, State, 6250 Broadway Merrillville, IN		de description and analysis of the second and the s	this application (give a	number of person to be contacted on matters involvin rea code) Ke1so 1-317-780-7253	
6. EMPLOYER IDENTIFICATION	N NUMBER (EIN):		7. TYPE OF APPLICA	ANT: (enter appropriate letter in box)  H. Independent School Dist.	
8. TYPE OF APPLICATION:    New	er(s) in box(es) rease Award C. Increase	Revision  Duration	B. County C. Municipal D. Township E. Interstate F. Intermunicipal G. Special District	I. State Controlled Institution of Higher Learning J. Private University K. Indian Tribe L. Individual M. Profit Organization N. Other (Specify)	
			9. NAME OF FEDERA	ALAGENCY: ental Protection Agency	
TITLE:  12. AREAS AFFECTED BY PRO	DJECT (Cities, Counties, Sta	ites, etc.):	Sanitary	TLE OF APPLICANT'S PROJECT:  y Sewer Overflow Elimination abilitation Project	
13. PROPOSED PROJECT	14. CONGRESSIONAL DI		<u> </u>		
Start Date	a. Applicant IN District 1		b. Project IN District 16. IS APPLICATION	t 1 SUBJECT TO REVIEW BY STATE EXECUTIVE	
a. Federal b. Applicant c. State	\$ 470,500 \$ 1,515,00	.00	AVAILABLE	APPLICATION/APPLICATION WAS MADE TO THE STATE EXECUTIVE ORDER 12372 FOR REVIEW ON:	
d. Local	\$	.00	b. No. XX PROGRAM IS NOT COVERED BY E. O. 12372		
e. Other  f. Program Income	\$		FOR REV		
g. TOTAL	\$ 1,985,500	.00	1	NT DELINQUENT ON ANY FEDERAL DEBT? attach an explanation.	
18. TO THE BEST OF MY KNOWN DOCUMENT HAS BEEN DULY ATTACHED ASSURANCES IF	WLEDGE AND BELIEF, AL AUTHORIZED BY THE GO	VERNING BODY OF TH	ATION/PREAPPLICAT E APPLICANT AND TH	TION ARE TRUE AND CORRECT, THE HE APPLICANT WILL COMPLY WITH THE	
a. Type Name of Authorized Rep	resentative	b. Title Director, MC	CD	c. Telephone Number 219-980-5220	
d. Signature of Authorized Repre	aroso esentative	· ULI BULLILI, III		e. Date Signed	

OMB Approval No. 0348-0044

BUDGET INFORMATION - Non-Construction Programs

		SEC	SECTION A - BUDGET SUMMARY	MARY		
Grant Program Function	Catalog of Federal Domestic Assistance	Estimated Un	Estimated Unobligated Funds		New or Revised Budget	et
or Activity (a)	Number (b)	Federal	Non-Federal	Federal	Non-Federal	Total
-		\$	8	\$	9	8
2.						
3.						
4.						
5. Totals		s	€	\$	ક	€9
		SECTI	SECTION B - BUDGET CATEGORIES	SORIES		
6. Object Class Categories	ries		GRANT PROGRAM, FL	GRANT PROGRAM, FUNCTION OR ACTIVITY		Total
		(1)	(2)	(3)	(4)	(S)
a. Personnel		<b>↔</b>	↔	↔	မှ	€9
b. Fringe Benefits	S					
c. Travel						
d. Equipment						
e. Supplies						
f. Contractual		456.800				
g. Construction		1.343.200				
h. Other		185,500				
i. Total Direct Ch	i. Total Direct Charges (sum of 6a-6h)	1,985,500				
j. Indirect Charges	Se					
k. TOTALS (sum of 6i and 6j)	ı of 6i and 6j)	\$ 1,985,500	<del>G</del>	€	₩.	₩.
7. Program Income		ક	<del>S</del>	₩.	\$	₩.
Previous Edition Usable		Autho	Authorized for Local Reproduction	luction	Sta	Standard Form 424A (Rev. 7-97) Prescribed by OMB Circular A-102



# UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

122 20 TO

REGION 5 77 WEST JACKSON BOULEVARD CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF:

**WS-15J** 

# AUG 07 2002

Christine Savarese, Director Merrillville Conservancy District 6250 Broadway Merrillville, Indiana 46410

Subject: Sanitary Sewer Overflow Elimination and Rehabilitation Project

Grant No. XP975898-01

Dear Ms. Savarese:

I am pleased to approve your application, dated May 14, 2002 and revised on June 26, 2002, under the provisions of the Agency's FY 2002 Special Appropriations Act. Your grant of \$470,500 is enclosed in duplicate.

Please review and return a signed copy of the grant to the Acquisition and Assistance Branch (MC-10J) within 21 days of receipt. The second copy is for your records. If you have any questions, please contact the project officer identified on page one.

Sincerely yours,

**Ø** Lymn Traub

Director, Water Division

**Enclosures** 

cc: Jim Flora

Merrillville Conservancy District

					XP	- 97589	98gu 1-∪ Page 1	
				ASSISTANCE DOC ID		END#	DATE OF AWARD	
JAMED STATES	U.S. ENVIR	ONMENTAL	PRG				1	
	PROTECTIO	N AGENCY	XP -	975898	01 -	U	AUG 0 7 200	<u>K</u>
\$ 1			TYPE OF	ACTION			MAILING DATE	2002
	Grant Ac	reement		METHOD:			ACH#	LOUL
# Roman =			ASAP					
RECIPIENT TYPE: Special District				ment Request or Branch, MF-				
Special District				ackson Blvd.	103			
				Ilinois 60604				
RECIPIENT:			PAYEE:		District.		·	
Merrillville Conservancy 6250 Broadway	/ District			Conservancy	District			
Merrillville, IN 46410			6250 Broadway Merrillville, IN 46410					
EIN: 35-1097346								
PROJECT MANAGER		EPA PROJECT OFFICE	R		PA GRANT	SPECI	ALIST	
Jim Flora		Irene Cook		-	heila Clark	astion I	MC 401	
6250 Broadway Merrillville, IN 46410		Water Division WS-15J	Assistance Section, MC-10J  E-Mail: Clark.Sheila@epa.gov					
E-Mail:		E-Mail: Cook.irene@ep	a.gov		hone: 312-3			
Phone: 219-732-2258		Phone: 312-886-1823		1				
To eliminate sewage over specifications, and comp	SEWER OVERFLOW ELIF erflows from the community eletion of sewer rehabilitation	MINATION AND REHABILI utilities gravity sewer colle on required to reduce inflow elevising approximately 60	ction system	n. This include on and to repa	ir the collect	tion sys	tem to eliminate the	two active
BUDGET PERIOD	PROJEC	T PERIOD	TOTAL BU	JDGET PERIC	D COST	TOTA	L PROJECT PERIO	D COST
10/15/2001 - 10/14/200	04 10/15/200	1 - 10/14/2004	\$1,985,500	0.00		\$1,98	5,500.00	
within 3 calend failure to retur Any change to	dar weeks after receipt or n the properly executed o the Agreement by the Re	uplicate and the Original within any extension of to locument within the presocipient subsequent to the alter the Agreement, sha	ime as may cribed time, e document Il void the A	be granted by may result in being signed greement.	y EPA. Red the withdr	ceipt of awal of	a written refusal or the offer by the Ag	jency.
		OFFER AND A	CCEPTANC	E				
Assistance/An incurred up to (including all a	nendment to the	the U.S. Environmenta  Merrillville Conservant 470,500 for the support of the first of the support of the first of the support of the first of the support o	cy District port of appro	for	23.70 % period effor	of all a t descr	approved costs ibed in application 4/2002	
ISSUING OFFI	CE (GRANTS MANAGEM	ENT OFFICE)	Г	NA .	VARD APPR	ROVAL	OFFICE	
ORGANIZATION / ADD			ORGANIZ	ATION / ADD				
U.S. EPA Region 5			U.S. EPA,	•	<del> </del>			
Mail Code MCG10J				sion, W-15J				
77 West Jackson Blvd.				ackson Blvd.	•			

THE UNITED STATES OF AMERICA BY THE U.S. ENVIRONMENTAL PROTECTION AGENCY SIGNATURE OF AWARD OFF TYPED NAME AND TITLE

greement is subject to applicable U.S. Environmental Protection Agency statutory provisions and assistance regulations. In accepting this award or amendment and any payments made pursuant thereto, (1) the undersigned represents that he is duly authorized to act on behalf of the recipient organization, and (2) the recipient agrees (a) that the award is subject to the applicable provisions of 40 CFR Chapter 1, Subchapter B and of the provisions of this agreement (and all attachments), and (b) that

Jo Lynn Traub, Director, Water Division

acceptance of any payments constitutes an agreement by the payee that the amounts, if any found by EPA to have been overpaid will be refunded or credited in full to EPA.

BY AND ON BEHALF OF THE DESIGNATED RECIPIENT ORGANIZATION TYPED NAME AND TITLE Christine Savarese, Director, MCD

# **EPA Funding Information**

(P - 975898**00** - 0 Page 2

FUNDS	FORMER AWARD	THIS ACTION	AMENDED TOTAL
EPA Amount This Action	\$	\$ 470,500	\$ 470,500
EPA In-Kind Amount	\$	\$	\$ 0
Unexpended Prior Year Balance	\$	\$	\$0
Other Federal Funds	\$	\$	\$0
Recipient Contribution	\$	\$ 1,515,000	\$ 1,515,000
State Contribution	\$	\$	\$0
Local Contribution	\$	\$	\$0
Other Contribution	\$	\$	\$ 0
Allowable Project Cost	\$0	\$ 1,985,500	\$ 1,985,500

Assistance Program (CFDA)	Statutory Authority	Regulatory Authority
66.606 - Surveys - Studies - Investigations - Speci	Appropriations Act of 2002 (PL 107-73)	40 CFR PART 31
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Γ					Fiscal		-			
	Site Name	DCN	FY	Approp. Code	Budget Organization	PRC	Object Class	Site/Project	Cost Organization	Obligation / Deobligation
Γ	-	PWX048	02	E4	0500QE2	20301B	41.83	-	-	470,500
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**Budget Summary Page** 

Table A - Object Class Category (Non-construction)	Total Approved Allowable Budget Period Cost
1. Personnel	\$0
2. Fringe Benefits	\$0
3. Travel	\$0
4. Equipment	\$0
5. Supplies	\$0
6. Contractual	\$456,800
7. Construction	\$1,343,200
8. Other	\$185,500
9. Total Direct Charges	\$1,985,500
10. Indirect Costs: 0.00% Base	\$0
11. Total (Share: Recipient 76.30 % Federal 23.70 %.)	\$1,985,500
12. Total Approved Assistance Amount	\$470,500
13. Program Income	\$0

-1

# **Administrative Conditions**

THE TECHNICAL CONTACT FOR THIS GRANT IS GENE WOJCIK AT (312) 886-0174.

#### 1. PAYMENT METHOD

In order to comply with the Debt Collection Improvement Act of 1996, the recipient must complete and return the attached Automated Standard Application for Payments (ASAP) system (OAF Form 5-15-01) with the signed Assistance Agreement.

Sixty (60) days from the date of this Award, you must be converted to the ASAP Payment method. During the 60 day transition period, you may use the ACH payment method.

#### 2. LOBBYING/LITIGATION

In accordance with OMB Circular A-21, A-87, or A-122, as appropriate, the recipient agrees that it will not use project funds, including the Federal and non-Federal share, to engage in lobbying the Federal Government or in litigation against the United States. The recipient also agrees to provide the information mandated by EPA's annual appropriations acts for fiscal year 2000 and fiscal year 2001 (PL 106-74, §426 and PL 106-377, §424 respectively) which require as follows: 'A chief executive officer of any entity receiving funds under this Act shall certify that none of these funds have been used to engage in the lobbying of the Federal Government or in litigation against the United States unless authorized under existing law.' The recipient may satisfy this certification requirement in any reasonable manner. The certification must be submitted to EPA after all grant funds have been expended.

#### 3. MBE/WBE

In accordance with EPA's Program for Utilization of Small, Minority and Women's Business Enterprises in procurement under assistance programs, the recipient agrees to:

a) Accept the applicable FY 2002 "fair share" goals negotiated with EPA by the Indiana Department of Environmental Management as follows:

MBE		WBE	
Construction	5%	Construction	5%
Supplies	5%	Supplies	5%
Services	5%	Services	5%
Equipment	0%	Equipment	0%

If the recipient does not want to rely on applicable State's MBE/WBE goals, the recipient agrees to submit proposed MBE/WBE goals based on availability of qualified minority and women-owned businesses to do work in relevant market for construction, services, supplies and equipment. "Fair share" objectives must be submitted to the MBE/WBE Coordinator, within 30 days of award and approved by EPA no later than 30 days thereafter.

- b) Ensure to the fullest extent possible that at least the FY 2002 "fair share" objective [see a) above] of Federal funds for prime contractors or subcontracts for supplies, construction, equipment or services are made available to organizations owned or controlled by socially and economically disadvantaged individuals, women and historically black colleges and universities.
- c) Include in bid documents "fair share" objectives of 2002 fair share percentage [see a) above] and require all of its contractors to include in their bid documents for subcontracts the negotiated fair share percentages.
- d) Follow the six affirmative steps stated in 40 CFR 31.36(e).

- e) For assistance awards for continuing environmental programs and assistance awards with institutions of higher education, hospitals and other non-profit organizations, submit an EPA Form 5700-52A, "MBE/WBE Utilization Under Federal Grants, Cooperative Agreements and Interagency Agreements" to the EPA Award Official by October 30 of each year. Other program reports must be submitted to the award official within 30 days of the end of each Federal fiscal quarter (January 30, April 30, July 30, and October 30).
- f) In the event race and/or gender neutral efforts prove to be inadequate to achieve a fair share objective for MBE/WBEs, the recipient agrees to notify EPA in advance of any race and/or gender conscious action it plans to take to more closely achieve the fair share objective.
- g) Until the recipient has completed its fair share negotiations with EPA, it agrees to maintain state Agency's fair share objectives. Once the recipient has completed its fair share negotiations with EPA, it will apply those objectives. The recipient also agrees to include in its bid documents the applicable FY 2002 "fair share" objectives and require all of its prime contractors to include in their bid documents for subcontracts the applicable FY 2002 "fair share" percentages and to comply with paragraphs (c) through (e) above.

#### 4. RECYCLED PAPER

Pursuant to EPA Order 1000.25, dated January 24, 1990, the recipient agrees to use recycled paper for all reports which are prepared as a part of this agreement and delivered to the Agency. This requirement does not apply to reports which are prepared on forms supplied by EPA. This requirement applies even when the cost of recycled paper is higher than that of virgin paper.

#### 5. SMALL BUSINESS IN RURAL AREAS

By accepting this agreement, the recipient agrees to comply with Section 129 of Public Law 100-590, the Small Business Administration Reauthorization and Amendment Act of 1988. Therefore, if the recipient awards a contract under this assistance agreement, it will utilize the following affirmative steps relative to Small Business in Rural Areas (SBRAs):

- a. Placing SBRAs on solicitation lists;
- b. Ensuring that SBRAs are solicited whenever they are potential sources;
- c. Dividing total requirements when economically feasible, into small tasks or quantities to permit maximum participation by SBRAs;
- d. Establishing delivery schedules, where the requirements of work will permit, which would encourage participation by SBRAs;
- e. Using the services of the Small Business Administration and the Minority Business Development Agency of the U.S. Department of Commerce, as appropriate; and
- f. Requiring the contractor, if it awards subcontracts, to take the affirmative steps in subparagraphs a. through e. of this condition.

#### 6. PRE-AWARD COST

The recipient may be reimbursed pre-award cost incurred prior to the budget and project periods of the award provided that: 1) Pre-award cost are incurred after the start of the fiscal year for which the funds were appropriated and/or, 2) Pre-award cost are for facilities planning or design work associated with the construction portion of the project for which the grant was awarded. Such cost will be allowable provided that these cost were included in the recipient's application; and that the application in its entirety is approved by the EPA program office and the EPA award official.

#### 7. PROCUREMENT OF RECYCLED PRODUCTS

Any State agency or agency of a political subdivision of a State which is using appropriated Federal funds shall comply with Section 6002 of the Resource Conservation and Recovery Act (RCRA) (42 U.S.C.

6962). RCRA Section 6002 requires that preference be given in procurement programs to the purchase of specific products containing recycled materials identified in guidelines developed by the Environmental Protection Agency (EPA). Current guidelines are contained in 40 CFR 247-254. State and local recipients and subrecipients of grants, loans, cooperative agreements or other instruments funded by appropriated Federal funds shall give preference in procurement programs to the purchase of recycled products pursuant to the EPA guidelines.

# **Programmatic Conditions**

#### 1. REPORTING

Technical progress reports will be submitted to U.S. EPA on a semi-annual basis within 30 days following the end of each six month period. Financial status reports are due annually. A final financial status report and final technical report will be submitted 90 days after the expiration of the budget and project periods.

THIS AWARD IS IN RESPONSE TO AND CONSISTENT WITH THE BUDGET REFLECTED IN THE RECIPIENT'S APPLICATION DATED JANUARY 14, 2002.

#### CERTIFICATION OF PROJECT COMPLETION

This is to certify that the water and/or wastewater infrastructure(s) for the Merrillville Conservancy District, known as, the U. S. Environmental Protection Agency Grantee Name project number XP97589801, is complete and in accordance with the approved plans and specifications, grant agreement and subsequent amendments if any, applicable Federal crosscutting laws and authorities, rules and regulations and is operational.

The project performance period began on <u>August 25, 2003</u> which is the "actual date of initiation of operation" of the aforementioned project.

1 Whole 20, 05

Signature of Authorized Representative

DISTRICT MAN

Name and Title

# SECTION 00500

# **AGREEMENT**

# MERRILLVILLE CONSERVANCY DISTRICT COMMUNITY UTILITIES SYSTEM SANITARY SEWER TELEVISING

THIS AGREEMENT, made this 2nd day of February, 2002, by and between the
Merrillville Conservancy District, Lake County, Indiana, acting herein through its Board of
Directors hereinafter called "OWNER" and National Power Rodding Corp., hereinafter
called "CONTRACTOR", which is an "individual", a "partnership", a "corporation" or "other"
business entity (circle appropriate business form-specify if "other")
organized and conducting business under the laws of the State ofIllinoisat
the following address: 2500 W. Arthington Street
Chicago, Illinois 60612
WITNESSETH: That for and in consideration of the payments and agreement
hereinafter mentioned, to be made and performed by the OWNER, the CONTRACTOR
hereby agrees with the OWNER to commence and complete the construction described as
follows: COMMUNITY UTILITIES SYSTEM
SANITARY SEWER TELEVISING
hereinafter called the project, and the OWNER shall pay the CONTRACTOR for the
performance of the Contract, subject to additions and deductions provided therein, in
current funds as follows: TOTAL BID PRICE: One Hundred Eighteen Thousand Two Hundred
DOLLARS (\$118,200.09) made up of the Unit Prices and extended Total Prices attached
00500-1 MCD'S EXHIBIT 44

and as submitted with original PROPOSAL, under the terms as stated in the STANDARD GENERAL CONDITIONS of the Construction Contract and SUPPLEMENTARY CONDITIONS; and at his (its or their) own proper cost and expense to furnish all materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, and other accessories and services necessary to complete the said project in accordance with the conditions and prices stated in the PROPOSAL; the STANDARD GENERAL CONDITIONS and SUPPLEMENTARY CONDITIONS of the Contract; the plans, which include all maps, plats, blueprints, and other drawings and printed or written explanatory matter thereof; the specifications and other contract documents thereof as prepared by R. W. ARMSTRONG & ASSOCIATES, INC., herein entitled the ENGINEER, and as enumerated in the Specifications; all of which are made a part hereof and collectively evidence and constitute the Contract.

The CONTRACTOR hereby agrees to commence work under this Contract and to fully complete the project as specified in the proposal.

The OWNER agrees to pay to the CONTRACTOR in current funds for the performance of the Contract, subject to additions and deductions as provided in the STANDARD GENERAL CONDITIONS of the Contract, and to make payments on account thereof as provided in Article 14 of the STANDARD GENERAL CONDITIONS and as modified by the SUPPLEMENTARY CONDITIONS.

IN WITNESS WHEREOF, the parties to the	is Agreement have hereunto set their hands on
the 2nd day of February, 2002.	
OWNER	CONTRACTOR
MERRILLVILLE CONSERVANCY DISTRICT BOARD OF DIRECTORS  CHAIRMAN BOARD MEMBER SIGNATURE	(NAME OF CORPORATION, PARTNERSHIP, INDIVIDUAL) National Power Rodding Corp.  Accord Lawrence SIGNATURE
Paul L. Volk PRINTED NAME	Harold Kosova PRINTED NAME
Mlan Dakili VICE-CHAIRMAN BOARD MEMBER SIGNATURE	President TITLE
Milan Dakich PRINTED NAME  Joseph Y. Janok SECRETARY/TREASURER BOARD MEMBER SIGNATURE	ATTEST: SIGNATURE
Joseph T. Sanok PRINTED NAME	William f. Kreidler, Vice President PRINTED NAME
BOARD MEMBER SIGNATURE	
PRINTED NAME  BOARD MEMBER SIGNATURE	
Thomas P. Keilman PRINTED NAME	
Approved as to legal form, content and efficacy.	
COUNSEL FOR MERRILLVILLE CONSERVANCE WILLIAM L TOUCHETTE 00500	Y DISTRICT

#### SECTION 00500

#### <u>AGREEMENT</u>

#### MERRILLVILLE CONSERVANCY DISTRICT

#### COMMUNITY UTILITIES SERVICE AREA SANITARY SEWER REHABILITATION PROJECT

THIS AGREEMENT, made this 18th day of August, 2003, by and between the Merrillville Conservancy District, Lake County, Indiana, acting herein through its Board of Directors hereinafter called OWNER and Insituform Technologies USA, Inc., hereinafter called CONTRACTOR, which is a corporation organized and conducting business under the laws of the State of Delaware at the following address: 12897 Main Street LaMont, IL 60439.

WITNESSETH: That for and in consideration of the payments and agreement hereinafter mentioned, to be made and performed by the OWNER, the CONTRACTOR hereby agrees with the OWNER to commence and complete the construction described as follows:

### COMMUNITY UTILITIES SERVICE AREA SANITARY SEWER REHABILITATION PROJECT

hereinafter called the project, and the OWNER shall pay the CONTRACTOR for the performance of the Contract, subject to additions and deductions provided therein, in Current Funds as follows: TOTAL BID PRICE: one million four hundred thirty-seven thousand six hundred thirty & 50/100's DOLLARS (\$1,437,630.50) made up of the Unit Prices and extended Total Prices attached and as submitted with original PROPOSAL, under the terms as stated in the Standard General Conditions of the Construction Contract and Supplementary Conditions; and at its own proper cost and expense to furnish all materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, and other accessories and services necessary to complete the said project in accordance with the conditions and prices stated in the PROPOSAL. The General Conditions and Supplementary Conditions of the Contract; the plans, which include all maps, plats,

R.W. Armstrong & Associates May 2003

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Merrillville Conservancy District 20016400.10

blueprints, and other drawings and printed or written explanatory matter thereof; the specifications and other

contract documents thereof as prepared by R. W. ARMSTRONG & ASSOCIATES, INC., herein entitled the

ENGINEER and as enumerated in the Specifications; all of which are made a part hereof and collectively

evidence and constitute the Contract.

The CONTRACTOR hereby agrees to commence work under this Contract and to fully complete the

project as specified in the proposal.

The OWNER agrees to pay to the CONTRACTOR in current funds for the performance of the

Contract, subject to additions and deductions as provided in the Standard General Conditions of the Contract,

and to make payments on account thereof as provided in Article 14 of the Standard General Conditions and as

modified by the Supplementary Conditions.

IN WITNESS WHEREOF, the parties to this Agreement have hereunto set their hands on the 18th

day of August, 2003.

OWNER	CONTRACTOR
MERRILLVILLE CONSERVANCY DISTRICT BOARD OF DIRECTORS  CHAIRMAN BOARD MEMBER SIGNATURE	(NAME OF CORPORATION, PARTNERSHIP, INDIVIDUAL OR OTHER BUSINESS ENTRY)  SIGNATURE
Paul L. Volk PRINTED NAME	Tim Tousignant
VICE-CHAIRMAN BOARD MEMBER SIGNATURE	PRINTED NAME  Vice President  TITLE
Milan Dakich PRINTED NAME  Joseph Janok SECRETARY/TREASURER BOARD MEMBER SIGNATURE	ATTEST: Savers SIGNATURE
Joseph T. Sanok	Diane G. Bowers, Assistant Secretary
PRINTED NAME  BOARD MEMBER SIGNATURE  Thomas P. Keilman PRINTED NAME	PRINTED NAME
BOARD MEMBER SIGNATURE)  Edward J. Westburg	
Approved as to legal form, content and efficacy.  COUNSEL FOR MERRILLVILLE CONSERVANCE	Y DISTRICT

#### **CHANGE ORDER**

	/ No. <u>01</u>
	Community Utilities Service Area – Sewer System Rehabilitation Project  Upon Approval of Owner  SUANCE: February 4, 2005 EFFECTIVE DATE: and Contractor
OWNER:	Merrillville Conservancy District
CONTRACTO	OR: Insituform Technologies USA, Inc.
ENGINEER:_	R. W. Armstrong & Associates, Inc.
YOU ARE DI	RECTED TO MAKE THE FOLLOWING CHANGES IN THE CONTRACT DOCUMENTS.
SCOPE:	
Item No. 1 -	Adjust Bid Item quantities to reflect "Final Measured Quantities" installed per as-built reports submitted by Contractor and inspection records. Delete Bid Items # 3, 5, 19, 20 - Items not used. See attached final quantity spreadsheet.
Item No. 2 -	Replace Bid Items 13A and 13B with Bid Item #18 - Test & Grout Laterals. The quantity of laterals increased from (308 ea) to (441 ea) during construction lining of segments.
Item No. 3 -	Add Bid Items #21, and #22 - Rehabilitate Line Segment C-420 to C-421 (204 feet) by Pipe-Bursting Technology and Reinstatement of Laterals (4 ea).
Item No. 4 -	Additional Quantities added to the contract quantities outside the original scope of work including additional 1,371 feet of CIPP lining (8", 10", 15" and 18"), and 13 service reinstatements.
Item No. 5 -	Additional Contractor Mobilization / Demobilization. Cost incurred is for work outside original contract scope.
JUSTIFICATI	ON:

- Item No. 1 -Bid Items # 3, 5, 19, 20 - Items not used. See attached final quantity spreadsheet. Various additional segments requested to be lined after additional TV inspections performed and reviewed by the District and Engineer. Requests made by Work Change Directives #1, #4, and several field orders.
- Replace Bid Items 13A and 13B with Bid Item #18 Test & Grout Laterals (441 ea) to protect Item No. 2 each lateral joint from infiltration of groundwater at the joint with the main line pipe new CIPP liner. Request made by Work Change Directive #2.

# **CHANGE ORDER - (Page 3)**

- Item No. 3 Add Bid Items #21, and #22 Rehabilitate Line Segment C-420 to C-421 (204 feet) by Pipe-Bursting Technology and Reinstatement of Laterals (4 ea). This section of sewer was nearly collapsed and could not be repaired by the pipe relining method. To dig up and replace the sewer was not cost effective or practical due to several large trees that would have had to be removed along the rear lot line directly above the sewer. Request Made by Work Change Directive #3.
- Item No. 4 Additional Quantities added to the contract quantities outside the original scope of work including additional 1,371 feet of CIPP lining (8", 10", 15" and 18"), and 13 service reinstatements. These additional quantities were requested to be performed by the District following additional TV inspections were performed and reviewed by the District and Engineer. The cost of these adjustments is incorporated into Item No. 1 as final quantity adjustments.
- Item No. 5 Additional Contractor Mobilization / Demobilization. Cost incurred is for work outside the original contract scope. It has been recommended by the Engineer, and agreed by the District that partial (1/2) reimbursement of this additional cost be made by the District.

#### **COST ANALYSIS:**

- Item No. 1 The difference in Contract Amount by adjusting contract quantities for final as-built measurements and inspection records result in a decrease of (\$ 111,207.80) to the Original Contract Amount. This includes all additional and less bid item quantities, including additional quantities installed per Item No. 4. (See attached final quantity spreadsheet)
- Item No. 2 The replacement of the bid items 13A and 13B with Bid Item 18 decreased the Bid Item unit price for testing and sealing laterals by \$22.00 each, however, the increase in the actual number of laterals tested and sealed during construction (from 308 to 441) results in an increase of \$50,547.00 to the Original Contract Amount.
- Item No. 3 The additional work added by this Item results in an increase of \$36,500.00 to the Original Contract Amount.
- Item No. 4 The additional cost for the additional quantities added for this Item are included in the difference in the Contract Amount calculated in Item No.1.
- Item No. 5 The additional Contractor incurred cost of this Item, with the District recommending shared responsibility (1/2 payment) with the Contractor, results in an increase of \$3,761.00 to the Original Contract Amount.

Total Adjustment to the Original Contract Amount for this Change Order No.1 (including Final Quantity Adjustments) results in an overall decrease of (\$20,399.80) to the Original Contract Amount.

# **CHANGE ORDER - (Page 3)**

CHANGE IN CONTRACT PRICE	CHANGE IN CONTRACT TIMES:
CHANGE IN CONTRACT FRICE	Original Contract Times
Original Contract Price	Substantial Completion: 400
\$	Ready for Final Payment: 400 days or dates
Net changes from previous Change Orders No. 0 to No. 1  \$0	Net changes from previous Change Orders No. 0 to No. 1  O days
	Contract Times prior to this Change Order
Contract Price prior to this Change Order	Substantial Completion: 400
\$	Ready for Final Payment: 400 days or dates
Net Increase (decrease) of this Change Order  \$	Net Increase (decrease) of this Change Order  0 days
Contract Price with all approved Change Orders	Original Contract Times
Contract 1 new with all approved Change Orders	Substantial Completion: 400
\$	Ready for Final Payment: 400 days or dates

ACCEPTED: APPROVED:
Merrillville Conservancy District R.W. Armstrong & Associates, Inc. Insituform Technologies, Inc.
By Sarl Holk By: Plutti E. Sall By
Owner (Authorized Signature) Engineer (Authorized Signature) Contractor (Authorized Signature)
Date: 03-07-05 Date: March 7, 2005 Date: 2/23/05

#### SECTION 00500

#### **AGREEMENT**

# MERRILLVILLE CONSERVANCY DISTRICT

## COMMUNITY UTILITIES SERVICE AREA SANITARY SEWER OVERFLOW RELIEF PROJECT

THIS AGREEMENT, made this <u>3rd</u> day of <u>November</u>, 2003, by and between the Merrillville Conservancy District, Lake County, Indiana, acting herein through its Board of Directors hereinafter called OWNER and Woodruff & Sons, Inc., hereinafter called CONTRACTOR, which is a corporation organized and conducting business under the laws of the State of <u>Indiana</u> at the following address: <u>2125 East Highway 12</u>, <u>Michigan City</u>, <u>Indiana 46361</u>. Contractor's mailing address is P.O. Box 450, Michigan City, IN 46361.

WITNESSETH: That for and in consideration of the payments and agreement hereinafter mentioned, to be made and performed by the OWNER, the CONTRACTOR hereby agrees with the OWNER to commence and complete the construction described as follows:

# COMMUNITY UTILITIES SERVICE AREA SANITARY SEWER OVERFLOW RELIEF PROJECT

hereinafter called the project, and the OWNER shall pay the CONTRACTOR for the performance of the Contract, subject to additions and deductions provided therein, in Current Funds as follows: TOTAL BID PRICE: six hundred ten thousand three hundred ninety-one & 97/100's DOLLARS (\$610,391.97) made up of the Unit Prices and extended Total Prices attached and as submitted with original PROPOSAL, under the terms as stated in the Standard General Conditions of the Construction Contract and Supplementary Conditions; and at its own proper cost and expense to furnish all materials, supplies, machinery, equipment, tools, superintendence, labor, insurance, and other accessories and services necessary to complete the said project in accordance with the conditions and prices stated in the PROPOSAL. The General Conditions and Supplementary Conditions of the Contract; the plans, which include all maps, plats, blueprints, and other

R.W. Armstrong & Associates October 2003

Merrillville Conservancy District 20016400.12

drawings and printed or written explanatory matter thereof; the specifications and other contract documents thereof as prepared by R. W. ARMSTRONG & ASSOCIATES, INC., herein entitled the ENGINEER and as enumerated in the Specifications; all of which are made a part hereof and collectively evidence and constitute

the Contract.

The CONTRACTOR hereby agrees to commence work under this Contract and to fully complete the

project as specified in the proposal.

The OWNER agrees to pay to the CONTRACTOR in current funds for the performance of the

Contract, subject to additions and deductions as provided in the Standard General Conditions of the Contract,

and to make payments on account thereof as provided in Article 14 of the Standard General Conditions and as

modified by the Supplementary Conditions.

IN WITNESS WHEREOF, the parties to this Agreement have hereunto set their hands on the <u>3rd</u>day

of November, 2003.

OWNER	CONTRACTOR: WOODRUFF & SONS, INC.
MERRILLVILLE CONSERVANCY DISTRICT BOARD OF DIRECTORS	(NAME OF CORPORATION, PARTNERSHIP, INDIVIDUAL OR OTHER BUSINESS ENTITY)
CHAIRMAN BOARD MEMBER SIGNATURE	Iod/REC SIGNATURE
Paul L. Volk PRINTED NAME	Todd R. Bell PRINTED NAME
Milan Dakich VICE-CHAIRMAN BOARD MEMBER SIGNATURE	Vice President TITLE
Milan Dakich PRINTED NAME	ATTEST:
SECRETARY/TREASURER BOARD MEMBER SIGNATURE	SIGNATURE
Joseph T. Sanok PRINTED NAME  P. Lulu	Nora J. Heeg, Asst. Secretary PRINTED NAME
BOARD MEMBER SIGNATURE  Thomas P. Keilman PRINTED NAME	
BOARD MEMBER SIGNATURE	
Edward J. Westburg PRINTED NAME	
Approved as to legal form, content and efficacy.	
COUNSEL FOR MERRILLVILLE CONSERVANCE	Y DISTRICT



# Woodruff & Sons, Inc.

SINCE 1946

P.O. Box 10127 6450 - 31st St. E. Bradenton, FL 34282-0127

Phone: 941-756-1871 Fax: 941-755-1379

# Woodruff & Sons, Inc.

P.O. Box 450 12 2125 U.S. 12 Michigan City, IN 46361

Phone: 219-872-8605 Fax: 219-879-5339

# CERTIFIED COPY OF THE RESOLUTION OF THE

### BOARD OF DIRECTORS OF WOODRUFF & SONS, INC.

I, Nora J. Heeg, do hereby certify that I am the duly elected and qualified Assistant Secretary and keeper of the records and corporate seal of WOODRUFF & SONS, INC., a corporation organized under the Laws of the State of Indiana; and that the following is a true and correct copy of a certain resolution duly adopted at a meeting of the Board of Directors thereof, convened on the Fifth Day of December, 2002, and that such resolution is now in full force and effect.

"BE IT RESOLVED that Roy J. Woodruff, Bruce R. Woodruff, Donald P. Woodruff, Linda S. Wakeman, Todd R. Bell, and Nora J. Heeg, or any one of them, be, and they are hereby authorized and empowered to execute in the name of this corporation, contracts and other documents, and that such documents bearing the signatures of any one, or all, of the aforementioned persons shall be valid and binding on the Corporation."

IN WITNESS THEREOF, I have hereunto affixed my name, as Assistant Secretary, and have caused the corporate seal of said corporation to be affixed this <u>3 rd</u> day of <u>November</u>, 2003.

Nora J. Heeg
Assistant Secretary

MCD Resolution Number: 2011-10

# RESOLUTION ESTABLISHING NEW RATES AND CHARGES FOR THE MERRILLVILLE CONSERVANCY DISTRICT

WHEREAS, the Merrillville Conservancy District (the "District") has heretofore constructed and has in operation the sewage collection facility for purposes of collecting and conveying sewage to the Gary Sanitary District for treatment (the "Sewage Works"); and

WHEREAS, the Board of Directors of the Merrillville Conservancy District has instructed Umbaugh, Certified Public Accountants, LLP, to prepare a cost of service study to evaluate the adequacy of current rates and charges; and

WHEREAS, Umbaugh has completed their analysis and prepared a report recommending a modification of current rates and charges; and

WHEREAS, the Board of Directors has received the report and intends to implement rates and charges as recommended in the Umbaugh report.

NOW, THEREFORE, be it resolved by the Board of Directors of the Merrillville Conservancy District as follows:

Section 1. The Board of Directors of the Merrillville Conservancy District hereby establishes the metered and unmetered rates and charges for all its freeholders as presented in Exhibit A of this Resolution.

Section 2. Be it further resolved that these rates and charges will not become effective until the later of after a public hearing scheduled for the December 29, 2011 or January 1, 2012.

Section 3. Any resolutions in conflict are hereby repealed.

MCD EXHIBIT 45

# MCD Resolution Number: 2011-10

All of which is adopted and resolved by Merrillville Conservancy District's Board of Directors this 29<sup>th</sup> day of December, 2011.

EDWARD M. SPERKA, Chairman

**MCD Board of Directors** 

**HELEN SANOK, Vice Chairman MCD Board of Directors** 

KENNETH E. SMITH, JR., Secretary-Treasurer

**MCD** Board of Directors

JEFFERY MINCHUK Director

MCD Board of Directors

EDWARD YERGA Director

MCD Board of Directors

Attest:

KENNETH E. SMITH, JR., Secretary-Treasurer

MCD Board of Directors

#### **EXHIBIT A**

For the use of and the services rendered by the Sewage Works, rates and charges shall be collected from the owners of each and every lot, parcel of real estate or building that is connected with the sanitary system or otherwise discharges sanitary sewage, industrial wastes, water or other liquids, either directly or indirectly, into the sanitary sewage system of the District. Such rates shall be payable as hereinafter provided and shall be in an amount determinable as follows:

(a) The sewage rates and charges shall be based on the quantity of water used on or in the property or premises subject to such rates and charges, as the same is measured by the water meter there in use, plus a base charge based on the size of the water meter installed, except as herein otherwise provided. For the purpose of billing and collecting the charges for sewage service, the water meters shall be read bi-monthly and the users shall be billed bi-monthly (or period equaling a month). The water usage schedule on which the amount of said rates and charges shall be determined as follows:

		Effective Date	
All Users	1/1/2012	1/1/2013	1/1/2014
1) Treatment charge per 1,000 gallons	\$ 3.10	\$ 3.15	\$ 3.25

Plus:

2) Base Rate - as follows:

	В	i-Monthly Base R	Late
	1/1/2012	1/1/2013	1/1/2014
Water Meter Size			
5/8"	\$ 18.60	\$ 19.35	\$ 20.95
1"	34.75	36.70	40.75
1 ½"	70.20	74.80	84.30
2"	115.35	123.30	139.75
3"	255.10	273.45	311.35
4"	448.60	481.35	548.95
6"	996.85	1,070.40	1,222.15
8"	1,770.85	1,902.00	2,172.55

(b) For users of the Sewage Works that are unmetered water users or accurate meter readings are not available, the monthly charge shall be determined as an average of single family dwelling units, except as herein provided. Sewage service bills shall be rendered once per month (or period equaling a month). The schedule of which said rates and charges shall be determined as follows:

### Unmetered Residential:

			Monthly Rate	
Number of		1/1/2012	1/1/2013	1/1/2014
Occupants	Assumed			
Î	2,000 gal.	\$ 15.50	\$ 16.00	\$ 17.00
2	3,000 gal.	18.65	19.15	20.20
3	4,000 gal.	21.75	22.30	23.45
4 or more	6,000 gal.	27.95	28.60	29.95

Unmetered non "Residential Single Family Dwelling Units" shall be charged a rate to be determined by the District on an individual basis by applying the above metered rates to estimated usage and meter size.



#### 1 of 1 DOCUMENT

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\*\*\*Statutes current through the 2013 First Regular Session and the 2013 First Regular Technical Session, P.L. 1 through P.L. 293\*\*\*

\*\*\*Annotations current through May 5, 2014 for Indiana Supreme Court cases, through April 23, 2014 for Indiana Appellate Court cases, through April 23, 2014 for Indiana Tax Court cases, and through April 14, 2014 for Federal court cases.\*\*\*

Title 14 Natural and Cultural Resources
Article 33 Conservancy Districts
Chapter 21 Cumulative Improvement Fund

Go to the Indiana Code Archive Directory

Burns Ind. Code Ann. § 14-33-21-5 (2014)

#### 14-33-21-5. Special benefits tax.

The board may levy a special benefits tax in compliance with IC 6-1.1-41 in an amount not to exceed three and thirty-three hundredths cents (\$0.0333) on each one hundred dollars (\$100) of real property in the district, except the property that is exempt under IC 14-33-7-4. The board shall file with the district plan or part of or amendment to the plan:

- (1) the approval of the department of local government finance; and
- (2) any action taken to reduce or rescind the tax levy.

**HISTORY:** P.L.1-1995, § 26; P.L.17-1995, § 15; P.L.6-1997, § 161; P.L.90-2002, § 377.

### **NOTES: Effective Dates.**

P.L.6-1997, § 249, declared an emergency and § 161 provided that the amendment take effect March 1, 2001.

MCD EXHIBIT 46



#### 1 of 1 DOCUMENT

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Title 14 Natural and Cultural Resources Article 33 Conservancy Districts Chapter 7 Payment of Expenses

#### Go to the Indiana Code Archive Directory

Burns Ind. Code Ann. § 14-33-7-3 (2014)

#### 14-33-7-3. Maximum tax rate.

In all districts described in IC 14-33-9-4, the special benefits tax rate may not exceed six and sixty-seven hundredths cents (\$0.0667) on each one hundred dollars (\$100) of assessed valuation of property in the taxing district.

**HISTORY:** P.L.1-1995, § 26; P.L.6-1997, § 160.

#### **NOTES: Effective Dates.**

P.L.6-1997, § 249, declared an emergency and § 160 provided that the amendment take effect March 1, 2001.

#### MCD RESOLUTION NUMBER 2012-02

# MERRILLVILLE CONSERVANCY DISTRICT'S RESOLUTION AMENDING TAP-IN FEE SCHEDULE AND ESTABLISHING INDUSTRIAL USER PRETREATMENT PROGRAM NON-COMPLIANT USER CHARGE

# I. AMENDED TAP-IN FEE RESOLUTION

**WHEREAS,** Merrillville Conservancy District [hereinafter, MCD] Resolution 2010-02 states the current Tap-In Fees and Inspection Fees for any person or entity wishing to connect real estate to MCD's sanitary sewer facilities;

**WHEREAS**, the following MCD Resolutions provide for certain specified undeveloped areas within MCD's boundaries to pay per acre Special Benefits Assessments of varying amounts when the real estate is developed:

- 1) MCD Resolution 99-04 (passed 12-29-99);
- 2) MCD Resolution 01-03 (passed 5-12-03);
- 3) MCD Resolution 02-03 (passed 5-12-03);
- 4) MCD Resolution 2004-01 (passed 2-3-04);
- 5) MCD Resolution 01-05 (passed 3-7-05);
- 6) MCD Resolution 01-06 (passed 2-27-06); and
- 7) MCD Resolution 06-03 (passed 5-8-06).

**WHEREAS**, the purposes of MCD's per acre Special Benefits Assessments and Tap-In Fees are to recover MCD's historical costs for installing sanitary sewers in undeveloped areas and to recover MCD's costs throughout the district for replacing sanitary sewer wastewater capacity used by new connections to MCD's sanitary sewer facilities;

**WHEREAS,** for the purpose of administrative convenience MCD's Board of Directors desires to eliminate MCD's per acre Special Benefits Assessment and collect only a Tap-In Fee for new connections to MCD's facilities;

**WHEREAS,** MCD's Board of Directors believes it is in the best interests of MCD to merge the collection of MCD's Special Benefits Assessment with the collection of MCD's Tap-In Fees;

WHEREAS, MCD's Board of Directors contracted with H.J. Umbaugh & Associates to conduct a study and prepare a report regarding an MCD System Development Charge, which combines the cost factors underlying MCD's current Tap-In Fees and Special Benefits Assessments; and

**WHEREAS,** H. J. Umbaugh & Associates has advised the MCD Board of Directors that for the report they have prepared, that the terms "System Development Charge" and "Tap-In Fee" are interchangeable;

MCD EXHIBIT 47

1

**WHEREAS,** H.J. Umbaugh and Associates provided MCD's Board of Directors with a report regarding MCD's System Development Charge, which will form the basis of MCD's updated Tap-In Fee schedule.

**BE IT RESOLVED,** that MCD's Board of Directors, upon a motion duly made and seconded, hereby adopts the following provisions governing the Tap-In Fees for establishing new and upgraded connections to MCD's sanitary sewer facilities:

Section 1: MCD's Categorical Tap-In Fees.

TYPES OF ESTABLISHMENTS	Estimated Daily Flow Gallons Per Day	Tap-In Fee
Assembly Hall/Church, per seat	5.00	\$27.35
Auto Service Station, per set of pumps	500.00	\$2,735.00
Bowling Alley, per alley	200.00	\$1,094.00
Bars & Cocktail Lounge, per seat	30.00	\$164.10
Dwelling		
Apartment One bedroom, per apartment Two bedroom, per apartment Hotel/Motel	100.00 160.00	\$547.00 \$875.20
Per Room Private Dwelling Mobile Home Park, per space	100.00 200.00 200.00	\$547.00 \$1,094.00 \$1,094.00
Institution Average type, per bed Hospital, per bed	120.00 250.00	\$645.40 \$1,367.50
Office Business/Professional, per Square Foot Medical, per Square Foot	0.20 0.50	\$1.09 \$2.74
Restaurants, per seat	40.00	\$218.80
Retail Space, per gross floor area	0.20	\$1.09
School, per student	15.00	\$82.05
Self-Service laundry, per machine	500.00	\$2,735.00
Theater		

Indoor, per seat	5.00	\$27.35
Outdoor, per car stall	7.00	\$38.29
Warehouse/Office Combination		
Office, per Square Foot	0.47	\$2.57
Dedicated Warehouse, per Square Foot	0.17	\$0.93

### **Section 2: Individually Calculated Tap-In Fees.**

### A. Purpose

This section concerns Tap-In Fees for establishments and entities that are not listed under the "Types of Establishments" covered by MCD's Categorical Tap-In Fees stated above; and for situations where questions arise as to whether the wastewater discharge flow estimates for MCD's categorical "Types of Establishments" do not reasonably reflect the actual usage patterns of the proposed customer.

# B. Tap-In Fee Equals \$5.47 per Gallon of Average Daily Wastewater Flow Discharged to MCD's Sanitary Sewers

MCD's System Development Charge study prepared by H.J. Umbaugh & Associates shows the current and historical costs that should be recovered from MCD's Tap-In Fees translate to a charge of \$5.47 per gallon of average daily wastewater flow discharged to MCD's sanitary sewers by MCD's new customers. Tap-In Fees individually calculated under this section are based on the policy that MCD's Tap-In Fees should serve as a mechanism for MCD to reserve adequate wastewater capacity for MCD's new customers. The \$5.47 charge per gallon is applied to the average daily flow number of MCD's new customer to arrive at the tap fee.

# C. Calculation of MCD's New Customer's Estimated Average Daily Flow and "Two-Year Look Back Period"

# i. MCD's Calculation of Estimated Average Daily Wastewater Discharge Flow; Treatment of "Two-Year Look Back Period"

MCD's new customer's estimated average daily wastewater flow discharged to MCD's sanitary sewer, which is used for individually calculating MCD's customer's Tap-In Fee under this section for situations where the proposed customer is not identified in the table of Types of Establishments found in Section 1, or there is a reasonable basis to believe the estimated flows found in the table are inaccurate. In those circumstances, the estimated average daily wastewater flow will initially be determined according to the following methodology.

First, MCD's new customer will provide MCD with reasonable information from which MCD's personnel can estimate MCD's new customer's average daily water usage. MCD will assume that MCD's new customer's estimated average daily wastewater discharge flow into MCD's sanitary sewers equals MCD's new customer's estimated average daily water usage. The

\$5.47 per gallon Tap-In Fee charge is applied to MCD's new customer's estimated average daily wastewater discharge flow to determine the Tap-In Fee.

MCD's new customer's estimated average daily wastewater discharge flow that is used to determine MCD's new customer's Tap-In Fee will be reconciled with the new customer's actual usage patterns after a two year period, which begins on the date that MCD's new customer connects to, and begins discharging wastewater to the District. A two year period will be used to enable MCD's new customer's establishment to reach a full and standard operational level. This two year reconciliation period shall be referred to as MCD's estimated Tap-In Fee's "Two Year Look-Back Period".

The public water utility usage records for MCD's new customer shall serve as the data used to prove the amount of wastewater that MCD's new customer discharges into MCD's sanitary sewers during the "Two Year Look-Back Period. MCD's new customer's public water utility water usage will be deemed to equal the volume of wastewater MCD's new customer discharges into MCD's sanitary sewers.

When the above-described methodology is used to generate MCD's estimate of the new customer's average daily flow, then after the expiration of the "Two Year Look Back Period":

- 1) MCD will credit the new customer with the excess Tap-In Fee paid, if MCD's average daily flow estimate was too high compared to the new customer's actual usage patterns; or
- 2) MCD will bill MCD's new customer for the balance of the Tap-In Fee at the same rate as the original estimated Tap-In Fee, if MCD's average daily flow estimate was too low compared to the new customer's actual usage patterns.
  - ii. MCD's New Customer's Suggested Average Daily Wastewater Discharge Flow Methodology Used to Compute Tap-In Fee; Treatment of "Two-Year Look Back Period"

If MCD's new customer believes that the public water utility usage records for MCD's new customer will not accurately measure the amount of wastewater that MCD's new customer discharges into MCD's sanitary sewers, then MCD's new customer may present MCD with whatever tangible support MCD's new customer has for a different estimate of the new customer's expected average daily wastewater discharge flow. If MCD's Board of Directors determines that the new customer's estimate of expected average daily discharge flow is reasonable and plausible, then MCD will use the new customer's estimate of expected average daily flow to compute the tap-in fee.

If public utility water usage records will not be used to determine MCD's new customer's average daily wastewater discharge flow into MCD's sanitary sewers, then MCD's new customer must propose a discharge flow metering system that will accurately measure the amount of wastewater that MCD's new customer will discharge into MCD's sanitary sewers.

MCD's new customer's discharge flow metering system must be based on the highest and best technology commercially available.

MCD has a strong preference that any new customer's recommended discharge flow metering system shall utilize flow metering of wastewater being directly discharged into MCD's sanitary sewers; and, that if possible, a single flow meter shall be used. In any case, the number of flow meters shall be kept to as few as possible. MCD's new customer shall be responsible for paying the entire cost of designing, installing, calibrating, and maintaining the wastewater discharge flow metering system. The flow metering system shall be maintained and calibrated as often as is necessary to insure accurate wastewater discharge flow metering, but in no case shall the meters be calibrated less frequently than every two years. If it is determined that the meter is out of calibration by a margin greater than 5%, then the monthly flow data used to prepare the previous sewer bills shall be adjusted by the calibration variance going back to the month following the last calibration.

MCD will consider a new customer's proposed alternate form of wastewater discharge flow metering, only when MCD's new customer demonstrates that flow metering of wastewater being directly discharged into MCD's sanitary sewers is technologically impossible.

If MCD's new customer's flow metering system fails or for any reason ceases to accurately measure the volume of wastewater being discharged into MCD's sanitary sewers, during the period of metering system failure or inaccuracy MCD's new customer's public water utility water usage records will be deemed to equal the volume of wastewater MCD's new customer discharges into MCD's sanitary sewers.

A new MCD customer's MCD Tap-In Fee, which is based on MCD's new customer's estimate of average daily wastewater flow discharged into MCD's sanitary sewers as documented by MCD's new customer's proposed alternate form of wastewater discharge flow metering, will also be subject to a "Two Year Look-Back Period". MCD's new customer's estimated average daily wastewater discharge flow that is used to determine MCD's new customer's Tap-In Fee will be reconciled with the new customer's actual usage patterns after a two year period, which begins on the date that MCD's new customer actually pays a Tap-In Fee to MCD. A two year period will be used to enable MCD's new customer's establishment to reach a full and standard operational level.

The intent of this provision is promote fairness by not requiring MCD's new customer's to reserve more capacity than they need, but not to provide MCD's new customer with an opportunity to request capacity only to have second thoughts regarding that request. Therefore at the expiration of the "Two Year Look-Back Period":

- 1) If MCD's customer's estimate of average daily flow is too high, then the Tap-In Fee will not be adjusted, but the capacity reflected in the original estimate will remain reserved and available to MCD's new customer; and
- 2) If MCD's customer's estimate of average daily flow is too low, then the Tap-In Fee will be increased to reflect the additional flow being generated by the customer. This

additional flow will be priced at the current cost per gallon as reflected in the Tap-In Fee resolution in effect at the expiration of the Two Year Look-Back Period plus 10% of the cost per gallon to cover MCD's additional administrative costs.

# Section 3: Calculation of Upgraded Tap-In Fees for Existing MCD Customers

This section concerns the calculation of upgraded Tap-In Fees for MCD's existing customers.

If the building location of an existing MCD customer is demolished and a new building is constructed, the existing MCD customer or a purchaser of the new building must pay a Tap-In Fee for the new structure.

If an existing MCD customer significantly expands its building(s) and/or operation(s) in a way that causes the customer to exceed the capacity reserved by the customer's original Tap-In Fee charged under this Resolution and subsequent Tap-In Fee Resolutions, then MCD's existing customer will be required to pay an additional "Upgraded Tap-In Fee" for MCD's customer's additional reserved capacity needed due to MCD's customer's expanded use of MCD's facilities. The Upgraded Tap-In Fee will be calculated by the methods specified in Sections 1 or 2 of this Resolution.

# Section 4: Payment of MCD's Tap-In Fee is Condition Precedent to Issuance of MCD's Letter of Sewer Availability to a New MCD Customer

Local Building and Planning officials having jurisdiction over building projects on real estate lying within MCD's sanitary sewer service territory will not issue a building permit without a "Letter of Sewer Availability" from MCD. MCD's new customer and MCD's existing customers, who are required to pay a Tap-In Fee under this Resolution, must pay MCD's Tap-In Fee in full before MCD will provide a "Letter of Sewer Availability" for any new or expanded buildings or facilities which are the subject of the Tap-In Fee.

The purpose of this requirement is to insure that MCD's new customer submit their building plans and specifications to MCD before construction begins, so MCD's staff can review the plans and specifications and insure that the new or updated building or facility meets MCD's technical sanitary sewer and wastewater discharge flow metering requirements. The purpose of this requirement is also to insure that MCD's Tap-In Fees are fully and timely paid by MCD's customers.

# Section 5: Repeal of Special Benefits Provisions Contained in MCD's Prior Resolutions

Given that the Tap-In Fees provided for by this MCD Resolution are intended to include all capacity related charges previously addressed in MCD's Resolutions providing for the payment of MCD's Special Benefits Assessments and MCD's Tap-In Fees, MCD's Board hereby repeals the Special Benefits Assessment provisions contained in the following MCD Resolutions:

- 1) MCD Resolution 99-04 (passed 12-29-99);
- 2) MCD Resolution 01-03 (passed 5-12-03);
- 3) MCD Resolution 02-03 (passed 5-12-03);
- 4) MCD Resolution 2004-01 (passed 2-3-04);
- 5) MCD Resolution 01-05 (passed 3-7-05);
- 6) MCD Resolution 01-06 (passed 2-27-06); and
- 7) MCD Resolution 06-03 (passed 5-8-06).

MCD's Board also repeals the Special Benefits Assessment provisions contained in any MCD Resolutions that might be contained in any MCD Resolutions not specifically listed above.

# **Section 6:** Sewer Inspection Fees

In addition to the above-discussed Tap-In Fees, persons or entities establishing new connections to MCD's sanitary sewer facilities shall pay the following Sewer Inspection Fees:

<b>Length of Sewer or Force Main, Feet</b>	Inspection Cost Component @ \$50 per Hour
0-100	\$150
101-200	\$300
201-300	\$450
301-400	\$600
401-500	\$750
501-600	\$900
601-700	\$1,050
701-800	\$1,200
801-900	\$1,350
901-1,000	\$1,500
Lift Station	\$600

# II. <u>INDUSTRIAL USER PRETREATMENT PROGRAM NON-COMPLIANT USER</u> CHARGE

**WHEREAS,** 40 C.F.R. Ch. 1, Part 403 is a regulation enacted by the U.S. Environmental Protection Agency which requires MCD to develop and implement an Industrial User Pretreatment Program;

**WHEREAS,** 327 IAC 5 is a rule adopted by the Indiana Department of Environmental Management's Water Pollution Control Board which requires MCD to develop and implement an Industrial User Pretreatment Program;

**WHEREAS,** MCD's Board of Directors enacted "MCD Resolution No.: 2011-02", which is entitled:

"Merrillville Conservancy District Resolution Implementing Industrial User Pretreatment Program for Publicly Owned Treatment Works"; WHEREAS, according to the above referenced federal and state authorities and MCD Resolution No.: 2011-02, MCD transmitted to MCD's users discharging non-domestic wastewater into MCD's facilities "Commercial & Industrial User Wastewater Questionnaires" and/or "Commercial & Industrial Food Preparation/Service User Wastewater Questionnaires" with instructions to complete and return the Questionnaire(s) to MCD;

**WHEREAS**, a number of MCD's users discharging non-domestic wastewater into MCD's facilities have failed to complete and return their "Commercial & Industrial User Wastewater Questionnaires" and/or "Commercial & Industrial Food Preparation/Service User Wastewater Questionnaires" to MCD;

**WHEREAS,** MCD cannot meet MCD's legal obligation to implement an Industrial User Pretreatment Program if MCD's users discharging non-domestic wastewater into MCD's facilities fail to comply with MCD's requests made to such users to take actions, which are necessary to implement an Industrial User Pretreatment Program;

WHEREAS, MCD's failure to comply with its legal obligations to implement an Industrial User Pretreatment Program exposes the District to significant financial penalties that will exceed the financial capabilities of existing rates and charges;

**WHEREAS,** MCD's Board of Directors has decided to establish a new user charge class of customers composed of non-domestic wastewater dischargers, who are not in compliance with their obligations imposed by MCD's Industrial User Pretreatment Program;

WHEREAS, MCD's Board of Directors has determined that this new user charge class of customers shall be known as "MCD's Industrial User Pretreatment Program Non-Compliant Users"; and

**WHEREAS,** MCD is establishing a user charge rate structure for "MCD's Industrial User Pretreatment Program Non-Compliant Users" to generate revenues not otherwise available to fund the cost of non-compliance with the requirements of MCD's Industrial User Pretreatment Program;

**BE IT RESOLVED**, that MCD's Board of Directors, upon a motion duly made and seconded, hereby establishes a new user charge class of customers known as "MCD's **Industrial User Pretreatment Program Non-Compliant Users**", which shall be governed by the following provisions:

A. "MCD's Industrial User Pretreatment Program Non-Compliant Users" will pay sewage rates and charges based on the quantity of water used on or in the property or premises subject to such rates and charges, as the same is measured by the water meter there in use, plus a base charge based on the size of the water meter installed, except as herein otherwise provided. For the purpose of billing and collecting the charges for sewage service, the water meters shall be read bimonthly and the users shall be billed bimonthly (or period equaling a month). The water usage schedule on which the amount of said

rates and charges shall be determined is as follows. The greater of a minimum bimonthly bill of \$200 or a bimonthly sewer bill calculated as follows:

	Ef	fective Date	
All Users	1/1/2012	1/1/2013	1/1/2014
1) Treatment charge per 1,000 gallons	\$ 3.85	\$ 3.95	\$ 4.05
Plus:			
2) Base Rate – as follows:			
	Ef	fective Date	
Water Meter Size	1/1/2012	1/1/2013	1/1/2014
5/8" – 3/4"	\$ 23.25	\$ 24.20	\$ 26.20
1"	43.45	45.90	50.95
1 1/2"	87.75	93.50	105.40
2"	144.20	154.15	174.70
3"	318.90	341.80	389.20
4"	560.75	601.70	686.20
6"	1,246.05	1,338.00	1,527.70
8"	2,213.55	2,377.50	2,715.70

- **B.** MCD's users who discharge non-domestic wastewater into MCD's facilities shall be billed according to the rates charged "MCD's Industrial User Pretreatment Program Non-Compliant Users", beginning thirty (30) days after MCD notifies said User that the User is not in compliance with the requirements of MCD's Industrial User Pretreatment Program.
- C. MCD's User will be removed from the class of customers paying the rates charged "MCD's Industrial User Pretreatment Program Non-Compliant Users", within thirty (30) days from the date that said User becomes compliant and notifies MCD that said User is in compliance with the requirements of MCD's Industrial User Pretreatment Program.

# III. <u>EFFECTIVE DATE</u>

- **A.** The Industrial User Pretreatment Program Non-Compliant User Charge provisions of this Resolution shall be effective on January 1, 2013.
- **B.** All other provisions of this Resolution are effective upon passage of this Resolution.

# IV. <u>SEVERABILITY AND SAVINGS CLAUSE</u>

In the event that any provision of this resolution shall be found to be unenforceable because it conflicts with or is contrary to any applicable law, the unenforceable provision shall be severed from this resolution and shall not affect the enforceability of the remainder of this resolution, which shall be given effect without the unenforceable provision. To this end the provisions of this resolution are declared to be severable.

The above MCD Board Resolution was approved, passed, and signed by the following Board Members at a properly noticed and duly held public meeting on October 29, 2012 at 5:30 p.m.

# SIGNED AND DATED THIS 29<sup>TH</sup> DAY OF OCTOBER, 2012.

EDWARD M. SPERKA, Chairman

**MCD Board of Directors** 

HELEN SANOK, Vice Chairman

**MCD Board of Directors** 

KENNETH E. SMITH, JR., Secretary-Treasurer

**MCD** Board of Directors

JEFFERY MIX CHUK, Director

MCD Board of Directors

EDWARD YERGA, Director

MCD Board of Directors

# RESOLUTION NO. 03-06

# RESOLUTION ESTABLISHING NEW RATES AND CHARGES FOR THE MERRILLVILLE CONSERVANCY DISTRICT

WHEREAS, the Merrillville Conservancy District user rates and charges which the metered and the unmetered freeholders are required to pay have not been adjusted since 1999; and,

WHEREAS, the Merrillville Conservancy District contract with Gary Sanitary District is structured to provide for any increase in costs for treatment; and,

WHEREAS, inflation and other factors have increased the cost of treatment under said contract and operation costs of the District; and,

WHEREAS, the Board of Directors of the Merrillville Conservancy District now believe that it is necessary to raise its user rates and charges in order to meet the new costs; and,

WHEREAS, the freeholders of the Merrillville Conservancy District will be subject to these new rates and charges.

# NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MERRILLVILLE CONSERVANCY DISTRICT AS FOLLOWS:

1. That the Board of Directors of the Merrillville Conservancy District hereby establishes the following rates and charges for all of its freeholders:

Metered Rates: Bimonthly Base Charge			
Water Meter Size	0	12.00	/
5/8" - 3/4"	\$	13.80	
1"		26.35	
1-1/2"		53.90	
2"		88.95	
3"		197.50	
4"		347.80	
6"		773.65	
8"		374.85	
8	1,	,574.05	
Treatment charge per 1,000 gallons	\$	2.33	
Unmetered Residential Users			
Monthly Charge			
1	\$	12.10	
2		14.70	
3		17.30	
4 or more		22.50	
4 of more			

MCD EXHIBIT 48

	2.	Be it further resolved that these rate public hearing scheduled for the Dec	es and charges will not become effective until after a cember 29, 2003, meeting of the Board.
	DATI	ED this 29 <sup>th</sup> day of December, 2003.	
			MERRILLVILLE CONSERVANCY DISTRICT BOARD OF DIRECTORS
			Ву:
			By: Joseph I Sanok
			By: i his P. Gellu-
			Bredward Westling
			By:
	ATT	EST:	
	Secre	seph V. Sanok	_
6			

# RESOLUTION 04 – 05

# RESOLUTION ADJUSTING NEW RATES AND CHARGES FOR THE MERRILLVILLE CONSERVANCY DISTRICT

WHEREAS, the Merrillville Conservancy District user rates and charges which the metered and un-metered freeholders are required to pay were adjusted in 2003; and

WHEREAS, the Merrillville Conservancy District contract with Gary Sanitary District is structured to provide for increases in costs for treatment; and

WHEREAS, inflation and other factors have increased the cost of treatment under said contract and operation costs of the District; and

WHEREAS, the Board of Director's of the Merrillville Conservancy District now believe that it is necessary to raise its user rates and charges in order to meet the new costs; and

WHEREAS, the freeholders of the Merrillville Conservancy District will be subject to these new rates and charges.

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTOR'S OF THE MERRILLVILLE CONSERVANCY DISTRICT AN INCREASE IN THE TREATMENT RATE ONLY AS FOLLOWS:

NEW TREATMENT CHARGE PER 1,000 GALLONS WATER USED: \$ 2.50

**BE IT FURTHER RESOLVED** that this rate increase will not become effective until after a Public Hearing scheduled for December 27<sup>th</sup>, 2004 and the new treatment rate will then go into effect with the first user's charge billing of 2005.

Joseph T. Sanok - Secretary-Treasurer

Merrillville Conservancy District 6250 Broadway Merrillville, IN 46410

# RESOLUTION NO. 04-06

# RESOLUTION ESTABLISHING NEW RATES AND CHARGES FOR THE MERRILLVILLE CONSERVANCY DISTRICT

WHEREAS, the Merrillville Conservancy District user rates and charges which the metered and unmetered freeholders are required to pay have need for an annual adjustment; and,

WHEREAS, the Merrillville Conservancy District contract with Gary Sanitary District is structured to provide for an increase in costs for treatment; and,

WHEREAS, inflation and other factors have increased the cost of treatment under said contract and operation costs of the District; and,

WHEREAS, the Board of Directors of the Merrillville Conservancy District now believe that it is necessary to raise it's user rates and charges to meet the new costs; and,

WHEREAS, the freeholders of the Merrillville Conservancy District will be subject to these new rates and charges with the first user charge billing of 2005.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE MERRILLVILLE CONSERVANCY DISTRICT AS FOLLOWS:

# Metered Rates:

Treatment Charge per 1,000 gallons shall be increased by .17 to \$2.50 from the previous amount of \$2.33.

### **Unmetered Rates:**

# Monthly Charge for Residential User

1	Resident	\$ 12.10
2	Residents	14.70
3	Residents	17.30
4 or more	Residents	22.50

**BE IT ALSO RESOLVED** that the \$18.00 per billing period surcharge for the Community Utilities area be lifted with the first billing of 2005 as all the repairs have been made per the IDEM Revised Consent Decree.

LASTLY, BE IT RESOLVED that the new treatment rate and charges for both the Merrillville Conservancy District area and the Community Utilities area will not become effective until after a Public Hearing scheduled for December 27, 2004 by the Board of Directors of the Merrillville Conservancy District.

Dated this 27th Day of December, 2004.

MERRILLVILLE CONSERVANCY DISTRICT BOARD OF DIRECTORS

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Attest:

Joseph T. Sanok – Sec /Treas.

# MERRILLVILLE CONSERVANCY DISTRICT'S RESOLUTION TO AMEND TAP-IN FEE SCHEDULE

WHEREAS, Merrillville Conservancy District [hereinafter, MCD] Resolution 01-03 states the current tap-in fees and inspection fees for any person or entity wishing to connect real estate to MCD's sanitary sewer facilities;

WHEREAS, MCD's Board of Directors passed MCD Resolution 01-03 to reflect the current cost for replacing sanitary sewer wastewater capacity used by new connections to MCD's sanitary sewer facilities;

WHEREAS, MCD's existing Tap-In and Inspection Fees have not been updated since MCD's Board of Directors passed MCD Resolution 01-03 on December 31, 2001; and

WHEREAS, MCD's Board of Directors believes it is in the best interests of MCD to bring the existing Tap-In Fees and Inspection Fees up to date.

BE IT RESOLVED, that MCD's Board of Directors, upon a motion duly made and seconded, hereby determines that MCD current Tap-In Fee and Inspection Fee schedule for establishing new connections to MCD's sanitary sewer facilities shall be as follows:

### Section 1.

Type of Establishment	Tap-In Fee
Assembly Hall/Church, per seat	\$24.55
Auto Service Station, per set of pumps	\$2,455.00
Bowling Alley, per alley	\$982.00
Bars/Lounge, per seat	\$147.30
Dwelling: Apartment	
One Bedroom, per unit	\$491.00
Two Bedroom, per unit	\$785.00
Hotel/Motel	
Room, per room	\$491.00

Type of Establishment (Cont.)	Tap In Fee (Cont.)
Dwelling (cont.)	
Private Dwelling	\$982.00
Mobile Home Park, per space	\$982.00
Institution:	
Average type, per bed	\$589.20
Hospital, per bed	\$1,227.50
Office:	
Business/Professional, per Square Foot	\$.98
Medical, per Square Foot	\$2.46
Restaurant, per seat	\$196.40
Retail Space, gross floor area per Square Foot	\$.98
School, per student	\$73.65
Self Service Laundry, per washer	\$2,455.00
Theater:	
Indoor, per seat	\$24.55
Outdoor, per car stall	\$34.37
Warehouse/Office Combination:	
Office, per Square Foot	\$2.46
Dedicated Warehouse, per Square Foot	\$.88

# Section 2.

For those establishments not listed above in Section 1, MCD's Board of Directors hereby establishes a System Development Charge tap-in fee, which shall include:

A. The cost to complete the physical connection to MCD's sanitary sewer facilities, and

B. A charge of \$110 per Equivalent Dwelling Unit (EDU) calculated for the connecting property. The EDU for the property shall be calculated by MCD as the average daily flow for the new connection divided by 100 gallons per day.

# Section 3.

In addition to the above tap-in fees, persons or entities establishing new connections to MCD's sanitary sewer facilities shall pay the following Inspection Fees:

Length of Sewer or Force Main, Feet	Inspection Cost Component @ \$50 per Hour
0-100	\$150
101-200	\$300.00
201-300	\$450.00
301-400	\$600.00
401-500	\$750.00
501-600	\$900.00
601-700	\$1,050.00
701-800	\$1,200.00
801-900	\$1,350.00
901-1,000	\$1,500.00
Lift Station:	\$600.00

# Section 4.

This Resolution is effective upon passage.

#### MCD RESOLUTION NO. 2010-02

The above MCD Resolution was passed by MCD's Board of Directors at a duly held public meeting on March 15, 2010.

# SIGNED AND DATED THIS $15^{TH}$ DAY OF MARCH, 2010.

EDWARD M. SPERKA, Chairman MCD Board of Directors

JEFFERY MINCHUL Vice Chairman MCD Board of Directors

EDWARD YER Secretary-Treasurer

MCD Board of Directors

DANIEL IVANYO, Directory
MCD Board of Directors

HELEN SANOK, Director MCD Board of Directors

ATTEST:

EDWARD YERGA, Secretary MCD Board of Directors



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Title 14 Natural and Cultural Resources Article 33 Conservancy Districts Chapter 5 Board of Directors

#### Go to the Indiana Code Archive Directory

Burns Ind. Code Ann. § 14-33-5-21 (2014)

### 14-33-5-21. Issuance of revenue bonds -- Powers of board -- Rates or charges as lien.

- (a) If the board issues revenue bonds for the collection, treatment, and disposal of sewage and liquid waste, the board may do the following:
- (1) Subject to sections 21.1 and 21.2 [IC 14-33-5-21.1 and IC 14-33-5-21.2] of this chapter, establish just and equitable rates and charges and use the same basis for the rates as provided in IC 36-9-23-25 through IC 36-9-23-29.
  - (2) Collect and enforce the rates, beginning with the commencement of construction as provided in IC 36-9-23.
  - (3) Establish rules and regulations.
- (4) Require connection to the board's sewer system of any property producing sewage or similar waste and require discontinuance of use of privies, cesspools, septic tanks, and similar structures. The board may enforce this requirement by civil action in circuit or superior court as provided in IC 36-9-23-30.
- (5) Provide for and collect a connection charge to the board's sewer system as provided in IC 36-9-23-25 through IC 36-9-23-29.
- (6) Contract for treatment of the board's sewage and pay a fair and reasonable connection fee or rate for treatment, or a combination of both, as provided in IC 36-9-23-16.
  - (7) Secure the bonds by a trust indenture as provided in IC 36-9-23-22.

MCD EXHIBIT 49



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- (a) If the board issues revenue bonds for the collection, treatment, and disposal of sewage and liquid waste, the board may do the following:
- (1) Subject to sections 21.1 and 21.2 [IC 14-33-5-21.1 and IC 14-33-5-21.2] of this chapter, establish just and equitable rates and charges and use the same basis for the rates as provided in IC 36-9-23-25 through IC 36-9-23-29.
  - (2) Collect and enforce the rates, beginning with the commencement of construction as provided in IC 36-9-23.
  - (3) Establish rules and regulations.
- (4) Require connection to the board's sewer system of any property producing sewage or similar waste and require discontinuance of use of privies, cesspools, septic tanks, and similar structures. The board may enforce this requirement by civil action in circuit or superior court as provided in IC 36-9-23-30.
- (5) Provide for and collect a connection charge to the board's sewer system as provided in IC 36-9-23-25 through IC 36-9-23-29.
- **(6)** Contract for treatment of the board's sewage and pay a fair and reasonable connection fee or rate for treatment, or a combination of both, as provided in IC 36-9-23-16.
  - (7) Secure the bonds by a trust indenture as provided in IC 36-9-23-22.

- (8) Create a sinking fund for the payment of principal and interest and accumulate reasonable reserves as provided in IC 36-9-23-21.
- (9) Issue temporary revenue bonds to be exchanged for definite revenue bonds as provided in IC 36-9-23-17 through IC 36-9-23-20.
- (10) Issue additional revenue bonds as part of the same issue if the issue does not meet the full cost of the project for which the bonds were issued as provided in IC 36-9-23-17 through IC 36-9-23-20.
- (11) Issue additional revenue bonds for improvements, enlargements, and extensions as provided in IC 36-9-23-18.
  - (12) Covenant with the holders of the revenue bonds for the following:
    - (A) Protection of the holders concerning the use of money derived from the sale of bonds.
- **(B)** The collection of necessary rates and charges and segregation of the rates and charges for payment of principal and interest.
  - (C) Remedy if a default occurs.

The covenants may extend to both repayment from revenues and other money available to the district by other statute as provided in IC 36-9-23.

- (b) In the same manner as provided by IC 36-9-23, the rates or charges made, assessed, or established by the district are a lien on a lot, parcel of land, or building that is connected with or uses the works by or through any part of the sewage system of the district. The liens:
  - (1) attach;
  - (2) are recorded;
  - (3) are subject to the same penalties, interest, and reasonable attorney's fees on recovery; and
  - (4) shall be collected and enforced;

in substantially the same manner as provided in IC 36-9-23-31 through IC 36-9-23-32.

**HISTORY:** P.L.1-1995, § 26; P.L.168-2009, § 1, emergency eff. July 1, 2009.

#### **NOTES:** Amendments.

The 2009 amendment added "Subject to sections 21.1 and 21.2 of this chapter" at the beginning of (a)(1).

# **Notes to Decisions**

Rate Determinations.

### **Rate Determinations.**

Owners of residence successfully met burden of proving that district board's classification of residence as duplex for sewer rate purposes was not "just and reasonable" under IC 14-33-5-21; upper and lower floors of residence were

reconnected by conventional stairway in same fashion as any single-family dwelling and undisputed evidence showed that residence had one address and shared single communications, electrical, water and sewage, and climate control systems; mere fact that residence had two kitchens did not make it a duplex. Bd. of Dirs. v. Brewer, 818 N.E.2d 952, 2004 Ind. App. LEXIS 2420 (2004), transfer granted, 831 N.E.2d 748, 2005 Ind. LEXIS 488 (2005), superseded, 839 N.E.2d 699, 2005 Ind. LEXIS 1155 (2005).

Where the Board of Directors of the Bass Lake Conservancy District delineated sewage rates based on whether the home was a duplex or a single-family home and where the former was distinguished by separate kitchens and laundry facilities, district used rational basis for assessing sewage rate and was within its authority under IC 14-33-5-21(a)(1) and IC 14-33-22-12. Bd. of Dirs. of Bass Lake Conservancy Dist. v. Brewer, 839 N.E.2d 699, 2005 Ind. LEXIS 1155 (2005).

### **Opinions of Attorney General**

Sewage districts organized under former IC 19-3-2-48.5 possessed the authority to implement user charges and industrial cost recovery systems for federal grant funding of publicly-owned sewage treatment works, in compliance with section 204(b) [33 USCS § 1284(b)] of the Federal Water Pollution Control Act Amendments of 1972. 1975, No. 7, p. 16.



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> Title 36 Local Government Article 9 Transportation and Public Works Chapter 23 Municipal Sewage Works

#### Go to the Indiana Code Archive Directory

Burns Ind. Code Ann. § 36-9-23-25 (2014)

**Legislative Alert:** LEXSEE 2014 Ind. ALS 196 -- See section 5.

### 36-9-23-25. Establishment of fees -- Amount -- Payment -- Variations in schedules.

- (a) Subject to section 37 [IC 36-9-23-37] of this chapter, the municipal legislative body shall, by ordinance, establish just and equitable fees for the services rendered by the sewage works, and provide the dates on which the fees are due.
- (b) Just and equitable fees are the fees required to maintain the sewage works in the sound physical and financial condition necessary to render adequate and efficient service. The fees must be sufficient to:
- (1) pay all expenses incidental to the operation of the works, including legal expenses, maintenance costs, operating charges, repairs, lease rentals, and interest charges on bonds or other obligations;
  - (2) provide the sinking fund required by section 21 [IC 36-9-23-21] of this chapter;
  - (3) provide adequate money to be used as working capital; and
  - (4) provide adequate money for improving and replacing the works.

Fees established after notice and hearing under this chapter are presumed to be just and equitable.

- (c) The fees are payable by the owner of each lot, parcel of real property, or building that:
  - (1) is connected with the sewage works by or through any part of the municipal sewer system; or

(2) uses or is served by the works.

Unless the municipal legislative body finds otherwise, the works are considered to benefit every lot, parcel of real property, or building connected or to be connected with the municipal sewer system as a result of construction work under the contract, and the fees shall be billed and collected accordingly.

- (d) The municipal legislative body may use one (1) or more of the following factors to establish the fees:
  - (1) A flat charge for each sewer connection.
  - (2) The amount of water used on the property.
  - (3) The number and size of water outlets on the property.
  - (4) The amount, strength, or character of sewage discharged into the sewers.
  - (5) The size of sewer connections.
  - (6) Whether the property has been or will be required to pay separately for any part of the sewage works.
- (7) Whether the property, although vacant or unimproved, is benefited by a local or lateral sewer because of the availability of that sewer. However, the owner must have been notified, by recorded covenants and restrictions or deed restrictions in the chain of title of his property, that a fee or assessment for sewer availability may be charged, and the fee may reflect only the capital cost of the sewer and not the cost of operation and maintenance of the sewage works.
- (8) The cost of collecting, treating, and disposing of garbage in a sanitary manner, including equipment and wages.
- (9) The amount of money sufficient to compensate the municipality for the property taxes that would be paid on the sewage works if the sewage works were privately owned.
  - (10) Any other factors the legislative body considers necessary.

Fees collected under subdivision (8) may be spent for that purpose only after compliance with all provisions of the ordinance authorizing the issuance of the revenue bonds for the sewage works. The board may transfer fees collected in lieu of taxes under subdivision (9) to the general fund of the municipality.

- (e) The municipal legislative body may exercise reasonable discretion in adopting different schedules of fees, or making classifications in schedules of fees, based on variations in:
- (1) the costs, including capital expenditures, of furnishing services to various classes of users or to various locations; or
  - (2) the number of users in various locations.

**HISTORY:** IC 36-9-23-25, as added by Acts 1981, P.L.309, § 96; 1981, P.L.317, § 23; P.L.35-1990, § 70; P.L.114-2008, § 29, emergency eff. March 24, 2008.

#### **NOTES: Amendments.**

The 2008 amendment added "Subject to section 37 of this chapter" in (a).

#### **Notes to Decisions**

Applicability. Authority. Judicial Review. Transfer of Delinquency from Tenant to Landlord.

#### Applicability.

Although subsection (c) refers to billing the owners of lots, parcels or real property, and buildings, the statute does not contemplate a situation where the customer is another sewage system company and does not preclude a finding that a rural sewer utility can be a city's customer. Customers of Old State Utility Corp. v. Old State Utility Corp., 576 N.E.2d 1311, 1991 Ind. App. LEXIS 1357 (1991).

Where a rural sewer utility had been ordered to tap into a municipal sewer system, the utility's customers were required to pay one bill for full sewage service to the utility at the rate set by the Indiana utility regulatory commission; the utility was then required to pay the city the rate determined by the city council from the income received from the customers for the city's service of sewage treatment. Customers of Old State Utility Corp. v. Old State Utility Corp., 576 N.E.2d 1311, 1991 Ind. App. LEXIS 1357 (1991).

Schererville, Ind., Municipal Ordinance 1326 and IC 36-9-23-25 allowed the town to charge all residents a flat fee for garbage collection, notwithstanding the fact that one or more of those residents may have opted to dispose of their garbage by other means. Raab v. Town of Schererville, 766 N.E.2d 790, 2002 Ind. App. LEXIS 651 (2002).

In an action by a sewer provider to collect sewer fees, the court properly denied attorney's fees to the provider on the property owner's counterclaim because the issues asserted against the provider regarding the location of utility lines were sufficiently distinct for the court to award only fees incurred in connection with the provider's action for the delinquent fees. W. Cent. Conservancy Dist. v. Burdett, 920 N.E.2d 699, 2010 Ind. App. LEXIS 54 (2010).

#### Authority.

Town ordinance which led to the assessment of a storm water user fee was invalid because a landowner's property did not fall within the town's storm water jurisdiction. Therefore, the local county, but not the town, had the authority to impose a storm water fee on the owner's property, which was located within the county, under the Indiana Storm Water Act, IC 8-1.5-5. Bd. of Comm'rs v. Town of Plainfield, 909 N.E.2d 480, 2009 Ind. App. LEXIS 968 (2009).

#### Judicial Review.

Trial court erred in granting summary judgment to municipal utility service board based upon its perception it lacked jurisdiction over plaintiff's action for compensation for amounts the board improperly charged, because IC 36-9-23-26.1 permits challenges to sewage charges or an appeal of a rate determination before the trial court. Underwood v. City of Jasper Mun. Util. Serv. Bd., 678 N.E.2d 1280, 1997 Ind. App. LEXIS 426 (1997).

#### Transfer of Delinquency from Tenant to Landlord.

City was authorized under IC 36-9-23 to transfer a tenant's delinquent sewer fees to a property owner's account without notice to the owner because the property owner was ultimately responsible for payment of sewer fees pursuant to IC 36-9-23-25(a), (c); billing tenants was a convenience to the landlord, and the landlord remained liable for any delinquency. Pinnacle Props. Dev. Group, LLC v. City of Jeffersonville, 893 N.E.2d 726, 2008 Ind. LEXIS 866 (2008).

#### Cited:

City of Hobart Sewage Works v. McCullough, 656 N.E.2d 1185, 1995 Ind. App. LEXIS 1356 (1995); Burke v. Town of Schererville, 739 N.E.2d 1086, 2000 Ind. App. LEXIS 1981 (2000).

# **Opinions of Attorney General**

Sanitary districts possessed the authority to implement user charges and industrial cost recovery systems for federal grant funding of publicly-owned sewage treatment works in compliance with section 204(b) [USCS, tit. 33, § 1284(b)] of the Federal Water Pollution Control Act Amendments of 1972. 1975, No. 7, p. 16.

#### **Research References**

### **Collateral References.**

56 Am. Jur. 2d Municipal Corporations §§ 573, 574.

64 C.J.S. Municipal Corporations § 1538.

Validity and construction of regulation by municipal corporation fixing sewer-use rates. 61 A.L.R.3d 1236.



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Title 5 State And Local Administration Article 3 Publication of Notices Chapter 1 Publication Procedures

#### Go to the Indiana Code Archive Directory

Burns Ind. Code Ann. § 5-3-1-2 (2014)

**Legislative Alert:** LEXSEE 2014 Ind. ALS 183 -- See section 1.

#### 5-3-1-2. Publication of notices.

- (a) This section applies only when notice of an event is required to be given by publication in accordance with this chapter.
- (b) If the event is a public hearing or meeting concerning any matter not specifically mentioned in subsection (c), (d), (e), (f), (g), or (h) notice shall be published one (1) time, at least ten (10) days before the date of the hearing or meeting.
- (c) If the event is an election, notice shall be published one (1) time, at least ten (10) days before the date of the election.
- (d) If the event is a sale of bonds, notes, or warrants, notice shall be published two (2) times, at least one (1) week apart, with:
  - (1) the first publication made at least fifteen (15) days before the date of the sale; and
  - (2) the second publication made at least three (3) days before the date of the sale.
- (e) If the event is the receiving of bids, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least seven (7) days before the date the bids will be received.

- (f) If the event is the establishment of a cumulative or sinking fund, notice of the proposal and of the public hearing that is required to be held by the political subdivision shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the date of the hearing.
- (g) If the event is the submission of a proposal adopted by a political subdivision for a cumulative or sinking fund for the approval of the department of local government finance, the notice of the submission shall be published one (1) time. The political subdivision shall publish the notice when directed to do so by the department of local government finance.
- (h) If the event is the required publication of an ordinance, notice of the passage of the ordinance shall be published one (1) time within thirty (30) days after the passage of the ordinance.
- (i) If the event is one about which notice is required to be published after the event, notice shall be published one (1) time within thirty (30) days after the date of the event.
- (j) If the event is anything else, notice shall be published two (2) times, at least one (1) week apart, with the second publication made at least three (3) days before the event.
- (k) If any officer charged with the duty of publishing any notice required by law is unable to procure advertisement:
  - (1) at the price fixed by law;
  - (2) because the newspaper refuses to publish the advertisement; or
- (3) because the newspaper refuses to post the advertisement on the newspaper's Internet web site (if required under section 1.5 [IC 5-3-1-1.5] of this chapter);

it is sufficient for the officer to post printed notices in three (3) prominent places in the political subdivision, instead of publication of the notice in newspapers and on an Internet web site (if required under section 1.5 of this chapter).

- (l) If a notice of budget estimates for a political subdivision is published as required in IC 6-1.1-17-3, and the published notice contains an error due to the fault of a newspaper, the notice as presented for publication is a valid notice under this chapter.
- (m) Notwithstanding subsection (j), if a notice of budget estimates for a political subdivision is published as required in IC 6-1.1-17-3, and if the notice is not published at least ten (10) days before the date fixed for the public hearing on the budget estimate due to the fault of a newspaper, the notice is a valid notice under this chapter if it is published one (1) time at least three (3) days before the hearing.

**HISTORY:** Acts 1927, ch. 96, § 2, p. 252; 1981, P.L.45, § 1; P.L.23-1984, § 6; P.L.36-1986, § 1; P.L.53-1987, § 1; P.L.54-1987, § 1; P.L.10-1989, § 19; P.L.1-1990, § 40; P.L.64-1995, § 5; P.L.153-1999, § 1; P.L.90-2002, § 14; P.L.141-2009, § 3, eff. July 1, 2009.

#### NOTES:

### **Notes to Decisions**

City Ordinances. "Cumulative Fund" Construed. Frequency of Publication. Partition Sales. Superfluous Notice.

### City Ordinances.

The post-publication but preenactment amendment by a city common council of a pending budget ordinance, which amendment is material and substantial in nature, requires the republication of notice in accordance with statutory directives. State ex rel. Blackwell v. Hatcher, 426 N.E.2d 118, 1981 Ind. App. LEXIS 1643 (1981).

Although IC 5-3-1-2(b) required a town to publish notice of a public hearing one time, at least 10 days before the date of the hearing, there was no requirement that notice had to be mailed directly to the town residents or take into account that many residents lived outside of the town for much of the year. Scalambrino v. Town of Michiana Shores, 904 N.E.2d 673, 2009 Ind. App. LEXIS 726 (2009).

In light of the absence of an express enumeration of the request for proposals procedure, a court assumed that it fell into the "anything else" category of the notice statute, IC 5-3-1-2(j); therefore, the town had to provide a second notice within three days of a deadline to submit proposals, and it complied with this requirement. Scalambrino v. Town of Michiana Shores, 904 N.E.2d 673, 2009 Ind. App. LEXIS 726 (2009).

### "Cumulative Fund" Construed.

A school board's capital projects fund, which was established to obtain monies over a three-year period to finance a new school, was a "cumulative fund." Thus, the provisions of subsection (f), requiring publication of notice on two occasions, applied. Ackelmire v. North Vermillion Community School Corp., 558 N.E.2d 916, 1990 Ind. Tax LEXIS 9 (1990).

### Frequency of Publication.

It was the intent of the legislature that notices by publication of town ordinances be published for two consecutive weeks. State ex rel. Lowell v. Meredith, 247 Ind. 273, 215 N.E.2d 183, 1966 Ind. LEXIS 346 (1966).

### Partition Sales.

Trial court did not err in denying lessees' objection to a partition sale because the notice of the sale was not in violation of former IC 32-17-4-12, and although the trial court's order stated that reasonable public notice had to be given pursuant to IC 5-3-1-2(j), the order meant that the reasonable public notice requirement of IC 32-17-4-12 could be met by publishing the notice of the sale twice, as set forth in IC 5-3-1-2(j); IC 5-3-1-2(j) was not applicable to partition sales. Mikel v. Johnston, 907 N.E.2d 547, 2009 Ind. App. LEXIS 939 (2009).

### Superfluous Notice.

Because this section required the publishing of only one notice, second notice was superfluous and not effective, and the first and only notice required triggered the 60-day period for filing by remonstrators. Kirk v. Town of Osceola, 669 N.E.2d 1060, 1996 Ind. App. LEXIS 1102 (1996), cert. denied, 522 U.S. 915, 118 S. Ct. 300, 139 L. Ed. 2d 231, 1997 U.S. LEXIS 6059 (1997).

### Cited:

Drake v. Ft. Wayne, 543 N.E.2d 1145, 1989 Ind. App. LEXIS 918 (1989).

### **Opinions of Attorney General**

A town wherein no daily newspaper is published should give notice of a proposed annexation by posting the

annexation ordinance in public places in each ward of the town and in the territory to be annexed. 1966, No. 42, p. 283.



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Title 36 Local Government Article 9 Transportation and Public Works Chapter 23 Municipal Sewage Works

### **Go to the Indiana Code Archive Directory**

Burns Ind. Code Ann. § 36-9-23-26 (2014)

# 36-9-23-26. Hearing on proposed fees -- Adoption by ordinance -- Extension of established fees -- Changes or readjustments of fees.

- (a) After the introduction of the ordinance establishing fees under section 25 [IC 36-9-23-25] of this chapter, but before it is finally adopted, the municipal legislative body shall hold a public hearing at which users of the sewage works, owners of property served or to be served by the works, and other interested persons may be heard concerning the proposed fees. Notice of the hearing, setting forth the proposed schedule of fees, shall be:
  - (1) published in accordance with IC 5-3-1;
- (2) mailed to owners of vacant or unimproved property if the ordinance includes a fee for sewer availability to vacant or unimproved property; and
- (3) mailed to users of the sewage works for service to property located outside the municipality's corporate boundaries.

The notice may be mailed in any form so long as the notice of the hearing is conspicuous. The hearing may be adjourned from time to time. Notice mailed under subdivision (3) must include the statement required by IC 8-1.5-3-8.1(c).

**(b)** After the hearing, the municipal legislative body shall adopt the ordinance establishing the fees, either as originally introduced or as modified. A copy of the schedule of fees adopted shall be kept on file and available for public inspection in the offices of the board and the municipal clerk. An ordinance adopted after March 31, 2012, that

imposes different rates and charges on users of the works for service to property located outside the corporate boundaries of the municipality or to property located within the corporate boundaries of the municipality must state in plain language the percentage difference between the rates and charges, as required by IC 8-1.5-3-8.1(d).

- (c) Subject to section 37 [IC 36-9-23-37] of this chapter, the fees established for any class of users or property shall be extended to cover any additional property that is subsequently served and falls within the same class, without any hearing or notice.
- (d) The municipal legislative body may change or readjust the fees in the same manner by which they were established.
  - (e) Fees collected under this chapter are considered revenues of the sewage works.

**HISTORY:** IC 36-9-23-26, as added by Acts 1981, P.L.309, § 96; 1981, P.L.45, § 62; P.L.77-1991, § 4; P.L.114-2008, § 30, emergency eff. March 24, 2008; P.L.139-2012, § 5, emergency eff. March 19, 2012.

### **NOTES: Amendments.**

The 2008 amendment added "Subject to section 37 of this chapter" in (c).

The 2012 amendment added "for service to property" in (a)(3); added the last sentence of the concluding language of (a); and added the last sentence of (b).

### **Notes to Decisions**

Authority. Judicial Review.

### Authority.

Town ordinance which led to the assessment of a storm water user fee was invalid because a landowner's property did not fall within the town's storm water jurisdiction. Therefore, the local county, but not the town, had the authority to impose a storm water fee on the owner's property, which was located within the county, under the Indiana Storm Water Act, IC 8-1.5-5. Bd. of Comm'rs v. Town of Plainfield, 909 N.E.2d 480, 2009 Ind. App. LEXIS 968 (2009).

### Judicial Review.

Trial court erred in granting summary judgment to municipal utility service board based upon its perception it lacked jurisdiction over plaintiff's action for compensation for amounts the board improperly charged, because IC 36-9-23-26.1 permits challenges to sewage charges or an appeal of a rate determination before the trial court. Underwood v. City of Jasper Mun. Util. Serv. Bd., 678 N.E.2d 1280, 1997 Ind. App. LEXIS 426 (1997).



### 1 of 1 DOCUMENT

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\*\*\*Statutes current through the 2013 First Regular Session and the 2013 First Regular Technical Session, P.L. 1 through P.L. 293\*\*\*

\*\*\*Annotations current through May 5, 2014 for Indiana Supreme Court cases, through April 23, 2014 for Indiana Appellate Court cases, through April 23, 2014 for Indiana Tax Court cases, and through April 14, 2014 for Federal court cases.\*\*\*

> Title 36 Local Government Article 9 Transportation and Public Works Chapter 23 Municipal Sewage Works

### **Go to the Indiana Code Archive Directory**

Burns Ind. Code Ann. § 36-9-23-26.1 (2014)

### 36-9-23-26.1. Objection to rates -- Petition -- Bond -- Notice and hearing -- Order.

- (a) Owners of property connected or to be connected to and served by the sewage works authorized under this chapter may file a written petition objecting to the rates and charges of the sewage works so long as:
  - (1) the petition contains the names and addresses of the petitioners;
  - (2) the petitioners attended the public hearing provided under section 26 [IC 36-9-23-26] of this chapter;
- (3) the written petition is filed with the municipal legislative body within five (5) days after the ordinance establishing the rates and charges is adopted under section 26 of this chapter;
  - (4) the written petition states specifically the ground or grounds of objection; and
- (5) the petitioners have not filed a petition with the commission under IC 8-1.5-3-8.3 appealing the same rates and charges of the utility.
- (b) Unless the objecting petition is abandoned, the municipal clerk shall file in the office of the clerk of the circuit or superior court of the county a copy of the rate ordinance or ordinances together with the petition. The court shall then set the matter for hearing at the earliest date possible, which must be within twenty (20) days after the filing of the petition with the court. The court shall send notice of the hearing by certified mail to the municipality and to the first signer of the petition at the address shown on the petition. All interested parties shall appear in the court without further notice, and the municipality may not conduct any further proceedings concerning the rates and charges until the matters

presented by the petition have been heard and determined by the court.

- (c) At the discretion and upon direction of the court, the petitioners shall file with the petition a bond in the sum and with the security fixed by the court. The bond must be conditioned on the petitioners' payment of all or part of the costs of the hearing and any damages awarded to the municipality if the petition is denied, as ordered by the court.
- (d) Upon the date fixed in the notice, the court shall, without a jury, hear the evidence produced. The court may confirm the decision of the municipal legislative body or sustain the objecting petition. The order of the court is final and conclusive upon all parties to the proceeding and parties who might have appeared at the hearing, subject only to the right of direct appeal. All questions that were presented or might have been presented are considered to have been adjudicated by the order of the court, and no collateral attack upon the decision of the municipal legislative body or order of the court is permitted.
- (e) If the court sustains the petition, or if it is sustained on appeal, the municipal legislative body shall set the rates and charges in accordance with the decision of the court.

**HISTORY:** P.L.77-1991, § 5; P.L.139-2012, § 6, emergency eff. March 19, 2012.

### **NOTES: Amendments.**

The 2012 amendment added (a)(5) and made related changes.

### **Notes to Decisions**

Arbitration. Jurisdiction. Procedure.

### Arbitration.

The court had authority to order arbitration in a dispute between two towns concerning rates charged for treating wastewater. St. John Sanitary Dist. v. Town of Schererville, 621 N.E.2d 1160, 1993 Ind. App. LEXIS 1231 (1993).

### Jurisdiction.

Trial court erred in granting summary judgment to municipal utility service board based upon its perception it lacked jurisdiction over plaintiff's action for compensation for amounts the board improperly charged, because this section permits challenges to sewage charges or an appeal of a rate determination before the trial court. Underwood v. City of Jasper Mun. Util. Serv. Bd., 678 N.E.2d 1280, 1997 Ind. App. LEXIS 426 (1997).

### Procedure.

The Municipal Sewage Works Act establishes an exclusive statutory procedure for objecting to sewage connection charges, and where the builders did not comply with the statutory procedure, the trial court properly dismissed their sewer connection claims. Burke v. Town of Schererville, 739 N.E.2d 1086, 2000 Ind. App. LEXIS 1981 (2000).

Because an apartment complex had no reason to challenge its classification at the time of a hearing or within five days after its adoption, judicial review was not precluded for a failure to exhaust administrative remedies. IC 36-9-23-26.1 did not provide a means to challenge a classification that occurred well after a rate ordinance had been adopted, and where no statutory remedy was provided, the due process and due course of law clauses of the federal and Indiana constitutions guaranteed a right to judicial review. GPI at Danville Crossing, L.P. v. W. Cent. Conservancy Dist., 867 N.E.2d 645, 2007 Ind. App. LEXIS 1206 (2007).



H. J. Umbaugh & Associates Certified Public Accountants, LLP 112 IronWorks Avenue Suite C Mishawaka, IN 46544 Phone: 574-935-5178 Fax: 574-935-5928 www.umbaugh.com

April 22, 2014

Board of Directors Merrillville Conservancy District 6250 Broadway Merrillville, Indiana 46410

Re: Merrillville Conservancy District – USEPA Information Request Questionnaire

Dear Members of the Board:

The attached schedules (listed below) present unaudited and limited information for the purpose of assisting the District respond to several questions contained within the USEPA Information Request dated February 14, 2014. The use of these schedules should be restricted to this purpose, for internal use only, as the information is subject to future revision and final report.

Page	
2	Schedule of Historical Annual Revenues
3	Schedule of Historical Percentage of Annual User Fee Revenue Used for Long-Term Debt
4	Schedule of Historical Percentage of Annual User Fee Revenue Used for Collection and Conveyance
5	Schedule of Historical Percentage of Annual Other Revenues Used for Long-Term Debt
6	Schedule of Historical Percentage of Annual Other Revenues Used for Collection and Conveyance
7	Schedule of Historical Annual Long-Term Debt
8	Unaudited Operation and Maintenance Expense for the Twelve Months Ended December 31, 2009 Allocated to Function
9	Unaudited Operation and Maintenance Expense for the Twelve Months Ended December 31, 2010 Allocated to Function
10	Unaudited Operation and Maintenance Expense for the Twelve Months Ended December 31, 2011 Allocated to Function
11	Unaudited Operation and Maintenance Expense for the Twelve Months Ended December 31, 2012 Allocated to Function
12	Unaudited Operation and Maintenance Expense for the Twelve Months Ended December 31, 2013 Allocated to Function
13	Explanation of Allocation References
14	Estimated Annual Collection System Depreciation

We would appreciate your questions or comments on this information and would provide additional information upon request.

Very truly yours,

UMBAUGH

Jøhn D. Julien

MCD EXHIBIT 50

Mr. William L. Touchette Ms. Vickee A. Edwards

cc:



H. J. Umbaugh & Associates Certified Public Accountants, LLP 112 IronWorks Avenue Suite C Mishawaka, IN 46544 Phone: 574-935-5178 Fax: 574-935-5928 www.umbaugh.com

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UMBAUGH,

Jøhn D. Julien

e: Mr. William L. Touchette Ms. Vickee A. Edwards

cc:

# SCHEDULE OF HISTORICAL ANNUAL REVENUES

(Per MCD Annual Financial Reports)

	2009	2010	2011	2012	2013
General Fund:					
User charges	\$2,847,602	\$3,029,745	\$3,064,124	\$3,667,153	\$3,900,673
IHCD user charges	556,446	785,026	536,520	47,793	505,784
Tap in fees	157,399	218,564	125,636	-	-
Interest income	59,181	78,408	19,600	4,829	3,530
Miscellaneous revenue	53,708	44,729	80,035		183,277
Miscellaneous revenue/IHCD Contract	1,209,215	-	-	-	-
Total General Fund	4,883,551	4,156,472	3,825,915	3,719,775	4,593,264
Construction Fund:					
Interest income	29,471	-	4,533	2,176	2,479
Debt Service Fund:					
Tax Disbursements	2,713,152	5,163,301	3,819,716	3,458,350	3,168,039
Independence Hill capital payment	60,000	85,000	60,000	60,000	55,000
Interest income	1,911	_	1,948	1,752	994
Total Debt Service Fund	2,775,063	5,248,301	3,881,664	3,520,102	3,224,033
Cumulative Fund:					
Interest income	32,268	_	18,205	7,653	5,418
Tap fees	-	_	50,350	136,734	375,245
Inspection fees	_	-	450	4,200	-
Lamar sign - lease revenue	-	_	_	10,000	10,000
Miscellaneous	_	-	_		3,450
Total Cumulative Fund	32,268	-	69,005	158,587	394,113
Expansion Fund:					
Interest income	76,497	_	_	256	114
IHCD contract	1,145,785	-	-	-	-
NIPSCO refund	_	-	107,468	_	_
Taft Street scrap recycling	-	<del></del>	6,204	_	<u></u>
Total Expansion Fund	1,222,282		113,672	256	114
2011 Bond Fund:	•				
Interest income		-	761	6,655	7,201
Total User Fee Revenue (question 63(a))	\$3,404,048	\$3,814,771	\$3,600,644	\$3,714,946	\$4,406,457
Total Other Revenues (question 64(a))	5,538,587	5,590,002	4,294,906	3,692,605	3,814,747
Total Annual Revenues	\$8,942,635	\$9,404,773	\$7,895,550	\$7,407,551	\$8,221,204

# SCHEDULE OF HISTORICAL PERCENTAGE OF ANNUAL USER FEE REVENUE USED FOR LONG-TERM DEBT

Year	Revenue	User Fee Used for erm Debt	Total Annual User Fee Revenue	Percentage of User Fee Revenue Used for Long-Term Debt
		1)	(2)	Tot Bong Total Boot
2009	\$	-	\$3,404,048	0%
2010		_	3,814,771	0%
2011		-	3,600,644	0%
2012		-	3,714,946	0%
2013		_	4,406,457	0%

<sup>(1)</sup> Long-Term debt is paid using a combination of tax revenues, Independence Hill Capital Payments and interest income.

<sup>(2)</sup> See page 2.

# SCHEDULE OF HISTORICAL PERCENTAGE OF ANNUAL USER FEE REVENUE USED FOR COLLECTION AND CONVEYANCE

	Annual User Fee Revenue Used for Collection &		Total Annual User	Percentage of User Fee Revenue Used
Year	Conveyance		Fee Revenue	for Collection & Conveyance
	(1)		(2)	
2009	\$3,110,315	(3)	\$3,404,048	91%
2010	3,397,682	(4)	3,814,771	89%
2011	3,501,536	(5)	3,600,644	97%
2012	3,514,572	(6)	3,714,946	95%
2013	3,650,430	(7)	4,406,457	83%

- (1) Assumes collection and conveyance expenses are paid with user fee revenues first and then with other revenue sources if user fee revenues are insufficient.
- (2) See page 2.
- (3) See page 8.
- (4) See page 9.
- (5) See page 10.
- (6) See page 11.
- (7) See page 12.

# SCHEDULE OF HISTORICAL PERCENTAGE OF ANNUAL OTHER REVENUES USED FOR LONG-TERM DEBT

	Annual Other		Percentage of Other
	Revenues Used for	Total Annual	Revenues Used for
Year	Long-Term Debt	Other Revenues	Long-Term Debt
	(1) (2)	(3)	
2009	\$3,104,466	\$5,538,587	56%
2010	3,110,735	5,590,002	56%
2011	3,047,786	4,294,906	71%
2012	3,692,605 (4)	3,692,605	100%
2013	3,669,749	3,814,747	96%

- (1) Long-Term debt is paid using a combination of tax revenues, Independence Hill Capital Payments and interest income.
- (2) Includes annual capital expenses paid to Gary Sanitary District.
- (3) See page 2.
- (4) Actual Long-Term debt amount for 2012 was \$3,704,845. Part of the long-term debt was paid with existing cash balances. See page 7.

# SCHEDULE OF HISTORICAL PERCENTAGE OF ANNUAL OTHER REVENUES USED FOR COLLECTION AND CONVEYANCE

	Annua	l Other		Percentage of Other
	Revenu	es Used		Revenues Used for
	for Coll	ection &	Total Annual	Collection &
Year	Conve	eyance	Other Revenues	Conveyance
	()	1)	(2)	
2009	\$	-	\$5,538,587	0%
2010		-	5,590,002	0%
2011			4,294,906	0%
2012		-	3,692,605	0%
2013		_	3,814,747	0%

<sup>(1)</sup> Assumes collection and conveyance expenses are paid with user fee revenues first and then with other revenue sources if user fee revenues are insufficient.

<sup>(2)</sup> See page 2.

# SCHEDULE OF HISTORICAL ANNUAL LONG-TERM DEBT (Per MCD Annual Financial Reports)

Oebt Service Fund:	2009	2010	2011	2012	2013
5th 3rd Bond Payment - P&I 2007	\$398,225	\$401,491	\$399,666	\$397,823	\$395,954
5th 3rd Bond Payment - P&I 2000	1,343,843	1,345,986	1,582,163	<b>3</b>	
5th 3rd Bond Payment - P&I 2003	808,508	910,533	612,901	ı	ı
5th 3rd Bond Payment - P&I 2011	1	1	•	2,781,091	2,743,795
3ary Sanitary District - Capital Charge	453,890	452,725	453,056	525,931	530,000
	\$3,104,466	\$3,110,735	\$3,047,786	\$3,704,845	\$3,669,749

# UNAUDITED OPERATION AND MAINTENANCE EXPENSE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2009 ALLOCATED TO FUNCTION

	Collection & Conveyance	Billing, Collection & Administrative	Totals	Allocation Reference
Salaries and Wages:	Conveyance	& Administrative	Totals	(See page 13)
Board	\$ -	\$17,250	\$17,250	(3ee page 13)
Secretary/clerk	Ψ -	93,269	93,269	(1)
District coordinator	-	60,556	60,556	
District coordinator  District manager	-	9,552	·	(1)
District manager  District superintendent	55,896	9,332	9,552	(1)
Operators and field personnel		-	55,896	(2)
Total Salaries and Wages	599,709	190 (27	599,709	(2)
Employee Benefits:	655,605	180,627	836,232	
FICA	40.055	12.727	(2.701	(2)
	49,855	13,736	63,591	(3)
Group health and life insurance	224,754	61,922	286,676	(3)
Total Employee Benefits	274,609	75,658	350,267	
Purchased Treatment:	1 (50 005			
Total Purchased Treatment	1,653,305		1,653,305	(2)
Materials and Supplies:				
Office supplies, janitorial, and other	-	2,295	2,295	(1)
Operating and maintenance	97,034		97,034	(2)
Total Materials and Supplies	97,034	2,295	99,329	
Contractual Services:				
Legal services	-	71,314	71,314	(1)
Engineering services	70,935	7,882	78,817	(4)
Accounting services	-	29,133	29,133	(1)
Laboratory testing	17,778	<del></del>	17,778	(2)
Computer programming		28,120	28,120	(1)
Total Contractual Services	88,713	136,449	225,162	
Repairs and Maintenance:				
Building and structures	70,547	7,839	78,385	(4)
Lift station equipment	54,633	-	54,633	(2)
Office equipment	-	8,166	8,166	(1)
Heating and a/c equipment	-	1,538	1,538	(1)
Computer maintenance	-	3,184	3,184	(1)
Total Repairs and Maintenance	125,180	20,727	145,906	(-)
Communications:				
Total Communications	14,214	14,214	28,427	(5)
Utilities:				(0)
Purchased power	201,655	22,406	224,061	(4)
Billing data	201,000	21,338	21,338	(1)
Other services and charges	_	1,805	1,805	(1)
Total Utilities	201,655	45,549	247,204	(1)
Rentals:			247,204	
Miscellaneous equipment		1,024	1,024	(1)
Other:	***	1,024	1,024	(1)
Other services and charges		72 172	72 172	(1)
Postage	-	72,172	72,172	(1)
	-	11,388	11,388	(1)
Printing	-	3,937	3,937	(1)
Insurance	-	61,693	61,693	(1)
Bank charges	-	8,200	8,200	(1)
Miscellaneous		10,005	10,005	(1)
Total Other		167,395	167,395	
Total Operation & Maintenance Expense	\$3,110,315	\$643,938	\$3,754,251	

# UNAUDITED OPERATION AND MAINTENANCE EXPENSE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010 ALLOCATED TO FUNCTION

Salaries and Wages:   Salaries and Wages   Salaries and Salaries and Wages   Salaries and Salaries and Wages   Salaries and Salaries an		Collection & Conveyance	Billing, Collection & Administrative	Totals	Allocation Reference
Soard   S	Salaries and Wages	Conveyance	<u>&amp; Administrative</u>	Totals	
Secretary/clock   - 99,005   99,005   (1)	<del>-</del>	<b>°</b>	\$15.800	\$15,800	
District coordinator		ψ <u>-</u>	,	·	
District manager			•	·	
District superintendent				·	
Contract and field personnel   C54243   -	•	36 120	22,170		, ,
Total Salaries and Wages		•			
Employee Benefits:         52,584         15,149         67,733         (3)           FICA         52,584         15,149         67,733         (3)           Total Employee Benefits         204,086         58,795         262,881           Purchased Treatment         1,992,853         -         1,992,853         (2)           Materials and Supplies:         32,79         1,992,853         (2)           Office supplies, janitorial, and other         -         3,279         (1)           Operating and maintenance         98,386         -         98,386         (2)           Total Materials and Supplies         98,386         3,279         101,665         (2)           Contractual Services         -         7,3677         73,677         (1)           Engineering services         40,017         4,446         44,463         (4)           Accounting services         40,017         4,446         44,463         (4)           Accounting services         22,759         -         22,759         (2)         (2)           Computer programming         -         25,568         25,568         (1)           Total Contractual Services         52,06         6,134         61,340         (4)     <			108 883	***************************************	(2)
FICA   \$2,584   15,149   67,733   (3)   Group health and life insurance   151,502   43,646   195,148   (3)   FICA   10,000   10				007,240	
Total Employee Benefits   204,086   58,795   262,881   3     Purbased Treatment   1,992,853   - 1,992,853   (2)     Materials and Supplies   3279   3279   (1)     Operating and maintenance   98,386   3279   101,665     Total Materials and Supplies   98,386   3279   101,665     Total Compater Materials   98,386   3279   101,665     Total Compater Maintenance   98,386   3279   101,665     Total Compater Maintenance   14,303   14,4303   14,4303   14,446     Accounting services   40,017   4,446   44,463		52 584	15 149	67 733	(3)
Total Employee Benefits		•		,	
Purchased Treatment:					(3)
Total Purchased Treatment   1,992,853   -, 1,992,853   2,     Materials and Supplies:   3,279   3,279   1,     Office supplies, janitorial, and other   98,386   3,279   101,652     Total Materials and Supplies   98,386   3,279   101,655     Total Materials and Supplies   3,379   101,655     Total Materials and Supplies   3,379   101,655     Total Contractual Services   - 73,677   73,677   1,     Lagal services   40,017   4,446   44,463   4,     Accounting services   40,017   4,446   44,463   4,     Accounting services   - 14,303   14,303   1,     Laboratory testing   22,759   22,759   22,     Computer programming   - 25,568   25,568   1,     Total Contractual Services   62,776   117,994   180,770     Total Contractual Services   55,206   6,134   61,340   4,     Lift sation equipment   72,688   - 72,688   2,     Office equipment   72,688   - 72,688   2,     Office equipment   - 4,544   4,544   1,     Heating and alc equipment   - 4,544   4,544   1,     Heating and alc equipment   - 3,207   3,207   1,     Computer maintenance   127,894   18,885   146,779     Total Communications   14,288   14,288   28,576   5,     Utilities   - 7,000   5,000   1,     Total Utilities   207,036   23,004   23,004   4,     Billing data   - 2,003   23,004   24,     Office equipment   - 3,877   3,207   1,     Total Utilities   207,036   45,126   252,162     Furchased power   207,036   45,126   252,162     Total Utilities   - 2,003   3,033   1,     Total Utilities   2,003   45,126   252,162     Furchased power   - 3,877   3,873   1,     Total Utilities   - 3,877   3,873   1,     Postage   - 4,222   4,222   1,     Insurance   - 3,877   5,837   1,     Bank charges   - 4,627   4,667   4,667   1,     Postage   - 4,222   4,222   1,     Insurance   - 5,324   5,324   1,     Bank charges   - 4,667   4,667   1,     Bank charges   - 4,627   4,627   4,627   1,     Distance   - 4,627   4,627   4,627   1,     Distance   - 4,627		204,000		202,861	
Materials and Supplies:         3,279         3,279         (1)           Office supplies, janitorial, and other         98,386         3,279         101,665           Total Materials and Supplies         98,386         3,279         101,665           Contractual Services:		1 002 853	_	1 002 853	(2)
Office supplies, jamitorial, and other         98,386         -         98,386         2         98,386         2         1         98,386         2         2         2         2         2         2         2         2         2         2         2         2         3,279         11) 1,665         2         2         101,665         2         2         101,665         2         2         2         101,665         2         7         2 <t< td=""><td></td><td>1,772,033</td><td></td><td>1,772,033</td><td>(2)</td></t<>		1,772,033		1,772,033	(2)
Operating and maintenance         98,386         -         98,386         2           Total Materials and Supplies         98,386         3,279         101,665           Contractual Services         -         73,677         73,677         (1)           Engineering services         40,017         4,446         44,463         (4)           Accounting services         20,759         -         22,759         (2)         (2)           Computer programming         -         25,568         25,568         (1)           Total Contractual Services         62,776         117,994         180,770           Repairs and Maintenance:         8         2,5568         2,5568         (1)           Building and structures         55,206         6,134         61,340         (4)           Lift station equipment         72,688         -         72,688         (2)           Office equipment         -         4,544         4,544         (1)           Heating and alve equipment         -         3,207         3,207         (1)           Computer maintenance         12,894         18,885         146,779         144,244         14         14         14         14         14         14         14 <td></td> <td>_</td> <td>3 270</td> <td>3 270</td> <td>(1)</td>		_	3 270	3 270	(1)
Total Materials and Supplies         98,386         3,279         101,665           Contractual Services:         -         73,677         73,677         (1)           Engineering services         40,017         4,446         44,463         (4)           Accounting services         14,303         14,303         (1)           Laboratory testing         22,759         -         22,759         (2)           Computer programming         -         25,568         25,568         (1)           Total Contractual Services         62,776         117,994         180,770           Repairs and Maintenance:         8         2         25,568         (1)           Building and structures         55,206         6,134         61,340         (4)           Lift station equipment         -         4,544         (1)           Heating and a/c equipment         -         4,544         (1)           Computer maintenance         -         5,000         5,000         (1)           Total Repairs and Maintenance         127,894         18,885         146,779           Communications:         14,288         14,288         28,576         (5)           Utilities:         20,000         20,000		98 386	3,217		
Contractual Services:			3 270		(2)
Legal services         4         73,677         73,677         (1)           Engineering services         40,017         4,446         44,403         (4)           Accounting services         -         14,303         14,303         (1)           Laboratory testing         22,759         -         22,759         (2)           Computer programming         -         25,568         25,568         (1)           Total Contractual Services         62,776         117,994         180,770           Repairs and Maintenance:         8         11,340         (4)           Lift station equipment         72,688         -         72,688         (2)           Offfice equipment         -         3,207         3,207         (1)           Heating and alve equipment         -         3,207         3,207         (1)           Computer maintenance         -         3,000         5,000         (1)           Total Repairs and Maintenance         127,894         18,885         146,779           Utilities         1         14,288         14,288         28,576         (5)           Utilities         2         20,004         20,008         (1)           Purchased power         <		76,360	3,217	101,003	
Engineering services         40,017         4,446         44,63         (4)           Accounting services         -         14,303         14,303         (1)           Laboratory testing         22,759         -         22,558         25,568         (1)           Total Contractual Services         62,776         117,994         180,770			73 677	73 677	(1)
Accounting services         14,303         14,303         (1)           Laboratory testing         22,759         -         22,759         (2)           Computer programming         -         25,568         25,568         (1)           Total Contractual Services         62,776         117,994         180,770           Repairs and Maintenance:         8         -         72,688         (2)           Building and structures         55,206         6,134         61,340         (4)           Lift station equipment         72,688         -         72,688         (2)           Office equipment         -         4,544         4,544         (1)           Heating and a'c equipment         -         3,207         3,207         (1)           Computer maintenance         -         5,000         5,000         (1)           Total Repairs and Maintenance         127,894         18,885         146,779           Communications:         14,288         14,288         28,576         (5)           Utilities:         20,000         3,004         230,040         (4)           Billing data         -         20,089         20,089         (1)           Other services and charges	•	40.017	·	•	
Laboratory testing         22,759         -         22,759         (2)           Computer programming         -         25,568         25,568         (1)           Total Contractual Services         62,776         117,994         180,770           Repairs and Maintenance:         8         8         11,994         180,770           Building and structures         55,206         6,134         61,340         (4)           Lift station equipment         72,688         -         72,688         (2)           Office equipment         -         4,544         4,544         (1)           Heating and a/c equipment         -         3,207         3,207         (1)           Computer maintenance         127,894         18,885         146,779         (1)           Total Repairs and Maintenance         127,894         18,885         146,779         (1)           Total Communications         14,288         14,288         28,576         (5)           Utilities:         207,036         23,004         230,040         (4)           Billing data         -         20,089         (1)           Other services and charges         -         3,87         387         (1)		40,017			
Computer programming         -         25,568         25,568         (1)           Total Contractual Services         62,776         117,994         180,770           Repairs and Maintenance:         8         117,994         180,770           Building and structures         55,206         6,134         61,340         (4)           Lift station equipment         72,688         -         72,688         (2)           Office equipment         -         3,207         3,207         (1)           Computer maintenance         -         5,000         5,000         (1)           Computer maintenance         -         5,000         5,000         (1)           Total Repairs and Maintenance         127,894         18,885         146,779           Communications         14,288         14,288         28,576         (5)           Utilities         2         20,004         230,040         (4)           Billing data         -         20,089         20,089         (1)           Other services and charges         -         2,033         2,033         (1)           Total Utilities         207,036         45,126         252,162           Retails         -         387		22.750	14,303		
Total Contractual Services         62,776         117,994         180,770           Repairs and Maintenance:         8         4         61,340         (4)           Building and structures         55,206         6,134         61,340         (4)           Lift station equipment         72,688         -         72,688         (2)           Office equipment         -         4,544         4,544         (1)           Heating and a/c equipment         -         5,000         5,000         5,000         10           Computer maintenance         -         5,000         5,000         5,000         10           Total Repairs and Maintenance         127,894         18,885         146,779         1           Communications         14,288         14,288         28,576         (5)           Utilities         1         14,288         14,288         28,576         (5)           Utilities         2         20,034         230,040         (4)           Billing data         -         20,089         20,089         (1)           Other services and charges         -         20,33         1           Total Utilities         207,036         45,126         252,162 <tr< td=""><td></td><td>22,139</td><td>25 569</td><td></td><td></td></tr<>		22,139	25 569		
Repairs and Maintenance:   Building and structures   55,206   6,134   61,340   (4)     Lift station equipment   72,688   - 72,688   (2)     Office equipment   72,688   - 72,688   (2)     Office equipment   - 4,544   4,544   (1)     Heating and a/c equipment   - 3,207   3,207   (1)     Computer maintenance   - 5,000   5,000   (1)     Total Repairs and Maintenance   127,894   18,885   146,779     Communications:		62 776			(1)
Building and structures		02,770	117,754	180,770	
Lift station equipment         72,688         -         72,688         (2)           Office equipment         -         4,544         4,544         (1)           Heating and a/c equipment         -         3,207         3,207         (1)           Computer maintenance         -         5,000         5,000         (1)           Total Repairs and Maintenance         127,894         18,885         146,779           Communications         14,288         14,288         28,576         (5)           Total Communications         14,288         14,288         28,576         (5)           Utilities         207,036         23,004         230,040         (4)           Billing data         -         20,089         20,089         (1)           Other services and charges         -         2,033         2,033         (1)           Total Utilities         -         387         387         (1)           Other:           Miscellaneous equipment         -         387         387         (1)           Other:         -         55,066         55,066         (1)           Printing         -	•	55 206	6 124	61 240	(4)
Office equipment         -         4,544         4,544         (1)           Heating and a/c equipment         -         3,207         3,207         (1)           Computer maintenance         -         5,000         5,000         (1)           Total Repairs and Maintenance         127,894         18,885         146,779           Communications           Total Communications         14,288         14,288         28,576         (5)           Utilities:           Purchased power         207,036         23,004         230,040         (4)           Billing data         -         20,089         20,089         (1)           Other services and charges         -         2,033         2,033         (1)           Total Utilities         207,036         45,126         252,162         252,162           Rentals:           Miscellaneous equipment         -         387         387         (1)           Other services and charges         -         55,066         55,066         (1)           Postage         -         10,054         10,054         (1)           Printing         -         4,222         4,222		·	0,134		
Heating and a/c equipment   - 3,207   3,207   (1)		72,088	4544		
Computer maintenance         -         5,000         5,000         (1)           Total Repairs and Maintenance         127,894         18,885         146,779         146,779         146,779         146,779         146,779         142,88         142,88         146,779         142,88         142,88         142,88         28,576         (5)         15         16         14         18		-			
Total Repairs and Maintenance         127,894         18,885         146,779           Communications:         Total Communications         14,288         14,288         28,576         (5)           Utilities:           Purchased power         207,036         23,004         230,040         (4)           Billing data         - 20,089         20,089         (1)           Other services and charges         - 2,033         2,033         (1)           Total Utilities         207,036         45,126         252,162           Rentals:           Miscellaneous equipment         - 387         387         (1)           Other:         - 387         387         (1)           Other:         - 10,054         10,054         (1)           Postage         - 10,054         10,054         (1)           Printing         - 4,222         4,222         (1)           Insurance         - 58,537         58,537         58,537         (1)           Bank charges         - 4,667         4,667         (1)           Miscellaneous         - 5,324         5,324         5,324         (1)           Total Other         - 137,870         137,870         1		-			
Communications:         14,288         14,288         28,576         (5)           Utilities:           Purchased power         207,036         23,004         230,040         (4)           Billing data         -         20,089         20,089         (1)           Other services and charges         -         2,033         2,033         (1)           Total Utilities         207,036         45,126         252,162         252,162           Rentals:           Miscellaneous equipment         -         387         387         (1)           Other:         -         387         387         (1)           Other services and charges         -         55,066         55,066         (1)           Postage         -         10,054         10,054         (1)           Printing         -         4,222         4,222         (1)           Insurance         -         58,537         58,537         (1)           Bank charges         -         4,667         4,667         (1)           Miscellaneous         -         5,324         5,324         (1)           Total Other         -         137,870         137,870		127.804			(1)
Total Communications         14,288         14,288         28,576         (5)           Utilities:         207,036         23,004         230,040         (4)           Billing data         -         20,089         20,089         (1)           Other services and charges         -         2,033         2,033         (1)           Total Utilities         207,036         45,126         252,162         252,162           Rentals:         -         387         387         (1)           Other:         -         387         387         (1)           Other services and charges         -         55,066         55,066         (1)           Postage         -         10,054         10,054         (1)           Printing         -         4,222         4,222         (1)           Insurance         -         58,537         58,537         (1)           Bank charges         -         4,667         4,667         (1)           Miscellaneous         -         5,324         5,324         (1)           Total Other         -         137,870         137,870         137,870		127,894	10,003	140,779	
Utilities:         Purchased power       207,036       23,004       230,040       (4)         Billing data       -       20,089       20,089       (1)         Other services and charges       -       2,033       2,033       (1)         Total Utilities       207,036       45,126       252,162         Rentals:       Miscellaneous equipment       -       387       (1)         Other:       Other services and charges       -       55,066       55,066       (1)         Postage       -       10,054       10,054       (1)         Printing       -       4,222       4,222       (1)         Insurance       -       58,537       58,537       (1)         Bank charges       -       4,667       4,667       (1)         Miscellaneous       -       5,324       5,324       (1)         Total Other       -       137,870       137,870		14 200	14 200	20 576	(5)
Purchased power         207,036         23,004         230,040         (4)           Billing data         -         20,089         20,089         (1)           Other services and charges         -         2,033         2,033         (1)           Total Utilities         207,036         45,126         252,162           Rentals:         -         387         387         (1)           Others         -         387         387         (1)           Other:         -         55,066         55,066         (1)           Postage         -         10,054         10,054         (1)           Printing         -         4,222         4,222         (1)           Insurance         -         58,537         58,537         (1)           Bank charges         -         4,667         4,667         (1)           Miscellaneous         -         5,324         5,324         (1)           Total Other         -         137,870         137,870         137,870		14,200	14,200	28,370	(3)
Billing data       -       20,089       20,089       (1)         Other services and charges       -       2,033       2,033       (1)         Total Utilities       207,036       45,126       252,162         Rentals:       Miscellaneous equipment       -       387       (1)         Other:       Other services and charges       -       55,066       55,066       (1)         Postage       -       10,054       10,054       (1)         Printing       -       4,222       4,222       (1)         Insurance       -       58,537       58,537       (1)         Bank charges       -       4,667       4,667       (1)         Miscellaneous       -       5,324       5,324       (1)         Total Other       -       137,870       137,870		207.024	22.004	220.040	(4)
Other services and charges         -         2,033         2,033         (1)           Total Utilities         207,036         45,126         252,162           Rentals:         Miscellaneous equipment         -         387         387         (1)           Other:         Other services and charges         -         55,066         55,066         (1)           Postage         -         10,054         10,054         (1)           Printing         -         4,222         4,222         (1)           Insurance         -         58,537         58,537         (1)           Bank charges         -         4,667         4,667         (1)           Miscellaneous         -         5,324         5,324         (1)           Total Other         -         137,870         137,870		207,030		,	
Total Utilities         207,036         45,126         252,162           Rentals:         Miscellaneous equipment         - 387         387         (1)           Other:         - 55,066         55,066         (1)           Postage         - 10,054         10,054         (1)           Printing         - 4,222         4,222         (1)           Insurance         - 58,537         58,537         (1)           Bank charges         - 4,667         4,667         (1)           Miscellaneous         - 5,324         5,324         (1)           Total Other         - 137,870         137,870	· · · · · · · · · · · · · · · · · · ·	-	·		
Rentals:         Miscellaneous equipment       -       387       387       (1)         Other:       Other services and charges       -       55,066       55,066       (1)         Postage       -       10,054       10,054       (1)         Printing       -       4,222       4,222       (1)         Insurance       -       58,537       58,537       (1)         Bank charges       -       4,667       4,667       (1)         Miscellaneous       -       5,324       5,324       (1)         Total Other       -       137,870       137,870	<del>-</del>	207.026			(1)
Miscellaneous equipment         -         387         387         (1)           Other:         -         55,066         55,066         (1)           Postage         -         10,054         10,054         (1)           Printing         -         4,222         4,222         (1)           Insurance         -         58,537         58,537         (1)           Bank charges         -         4,667         4,667         (1)           Miscellaneous         -         5,324         5,324         (1)           Total Other         -         137,870         137,870		207,036	43,120	232,102	
Other:       Other services and charges       -       55,066       55,066       (1)         Postage       -       10,054       10,054       (1)         Printing       -       4,222       4,222       (1)         Insurance       -       58,537       58,537       (1)         Bank charges       -       4,667       4,667       (1)         Miscellaneous       -       5,324       5,324       (1)         Total Other       -       137,870       137,870			207	207	(1)
Other services and charges       -       55,066       55,066       (1)         Postage       -       10,054       10,054       (1)         Printing       -       4,222       4,222       (1)         Insurance       -       58,537       58,537       (1)         Bank charges       -       4,667       4,667       (1)         Miscellaneous       -       5,324       5,324       (1)         Total Other       -       137,870       137,870	• •		387	387	(1)
Postage       -       10,054       10,054       (1)         Printing       -       4,222       4,222       (1)         Insurance       -       58,537       58,537       (1)         Bank charges       -       4,667       4,667       (1)         Miscellaneous       -       5,324       5,324       (1)         Total Other       -       137,870       137,870			EE 066	55.000	(1)
Printing     -     4,222     4,222     (1)       Insurance     -     58,537     58,537     (1)       Bank charges     -     4,667     4,667     (1)       Miscellaneous     -     5,324     5,324     (1)       Total Other     -     137,870     137,870	· ·	-			
Insurance     -     58,537     58,537     (1)       Bank charges     -     4,667     4,667     (1)       Miscellaneous     -     5,324     5,324     (1)       Total Other     -     137,870     137,870	2	-	·		
Bank charges       -       4,667       (1)         Miscellaneous       -       5,324       5,324       (1)         Total Other       -       137,870       137,870       137,870	-	-			
Miscellaneous         -         5,324         5,324         (1)           Total Other         -         137,870         137,870		-		·	
Total Other - 137,870 137,870	•	-		·	
					(1)
Total Operation & Maintenance Expense         \$3,397,682         \$595,507         \$3,993,189	1 otal Other		137,870	137,870	
	Total Operation & Maintenance Expense	\$3,397,682	\$595,507	\$3,993,189	

# UNAUDITED OPERATION AND MAINTENANCE EXPENSE FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2011 ALLOCATED TO FUNCTION

	Collection & Conveyance	Billing, Collection & Administrative	Totals	Allocation Reference
Salaries and Wages:	Conveyance	& Administrative	Totals	(See page 13)
Board	\$ -	\$16,450	\$16,450	(See page 13)
Secretary/clerk	_	100,352	100,352	(1)
District coordinator		64,131	64,131	(1)
District manager	_	19,318	19,318	(1)
District manager  District superintendent	59,480	19,510	59,480	(2)
Operators and field personnel	562,529	-	562,529	(2)
Total Salaries and Wages	622,009	200,251	822,260	(2)
Employee Benefits:	022,009	200,231	022,200	
FICA	48,852	15,727	64,579	(2)
Group health and life insurance	162,024	52,162	,	(3)
Total Employee Benefits	210,876	67,889	214,186	(3)
Purchased Treatment:	210,870	07,009	278,765	
Total Purchased Treatment	2 150 002		2.150.002	(2)
Materials and Supplies:	2,159,083	-	2,159,083	(2)
		2.041	2.041	(1)
Office supplies, janitorial, and other	104.070	2,941	2,941	(1)
Operating and maintenance  Total Materials and Supplies	104,078 104,078		104,078	(2)
	104,078	2,941	107,019	
Contractual Services:		21.720	21 (20	
Legal services	10.050	31,638	31,638	(1)
Engineering services	12,059	1,340	13,399	(4)
Accounting services	-	19,050	19,050	(1)
Laboratory testing	28,196		28,196	(2)
Computer programming	-	23,055	23,055	(1)
Total Contractual Services	40,255	75,083	115,338	
Repairs and Maintenance:				
Building and structures	57,062	6,340	63,402	(4)
Lift station equipment	55,484	-	55,484	(2)
Office equipment	-	964	964	(1)
Heating and a/c equipment	-	3,212	3,212	(1)
Computer maintenance	-	3,417	3,417	(1)
Total Repairs and Maintenance	112,546	13,933	126,479	
Communications:				
Total Communications	14,162	14,162	28,324	(5)
Utilities:				
Purchased power	238,527	26,503	265,030	(4)
Billing data	-	16,959	16,959	(1)
Other services and charges	-	1,558	1,558	(1)
Total Utilities	238,527	45,020	283,547	
Rentals:				
Miscellaneous equipment	-	334	334	(1)
Other:				
Other services and charges	•	54,496	54,496	(1)
Postage	-	11,837	11,837	(1)
Printing	-	4,259	4,259	(1)
Insurance	-	49,819	49,819	(1)
Bank charges		3,790	3,790	(1)
Miscellaneous	_	6,072	6,072	(1)
Total Other	-	130,273	130,273	(~)
<del>-</del>			,	
Total Operation & Maintenance Expense	\$3,501,536	\$549,886	\$4,051,422	

# <u>UNAUDITED OPERATION AND MAINTENANCE EXPENSE FOR THE</u> <u>TWELVE MONTHS ENDED DECEMBER 31, 2012 ALLOCATED TO FUNCTION</u>

	Collection & Conveyance	Billing, Collection & Administrative	Totals	Allocation Reference
Salaries and Wages:				(See page 13)
Board	\$ -	\$19,050	\$19,050	(1)
Secretary/clerk	-	102,720	102,720	(1)
District coordinator	-	65,569	65,569	(1)
District manager	-	13,784	13,784	(1)
District superintendent	66,373	-	66,373	(2)
Operators and field personnel	576,447	<u>.                                    </u>	576,447	(2)
Total Salaries and Wages	642,820	201,123	843,943	
Employee Benefits:				
FICA	49,737	15,562	65,299	(3)
Group health and life insurance	171,896	53,782	225,678	(3)
Total Employee Benefits	221,633	69,344	290,977	` ′
Purchased Treatment:				
Total Purchased Treatment	2,200,263	-	2,200,263	(2)
Materials and Supplies:				. ,
Office supplies, janitorial, and other	-	6,056	6,056	(1)
Operating and maintenance	108,663	· -	108,663	(2)
Total Materials and Supplies	108,663	6,056	114,719	· /
Contractual Services:				
Legal services	-	26,315	26,315	(1)
Engineering services	1,926	214	2,140	(4)
Accounting services	-,	37,845	37,845	(1)
Computer programming	-	18,793	18,793	(1)
Total Contractual Services	1,926	83,167	85,093	(*)
Repairs and Maintenance:				
Building and structures	33,229	3,692	36,921	(4)
Lift station equipment	39,768	-,	39,768	(2)
Office equipment	-	19,888	19,888	(1)
Heating and a/c equipment	_	2,648	2,648	(1)
Computer maintenance	_	10,047	10,047	(1)
Total Repairs and Maintenance	72,997	36,275	109,272	(*)
Communications:	1144777	30,213	107,272	
Total Communications	17,951	17,951	35,902	(5)
Utilities:	17,701	175701	33,702	(3)
Purchased power	248,319	27,591	275,910	(4)
Billing data	210,517	18,640	18,640	(1)
Other services and charges	_	2,885	2,885	(1)
Sludge removal		1,752	1,752	(1)
Total Utilities	248,319	50,868	299,187	(1)
Other:			277,101	
Other services and charges		60,032	60,032	(1)
Postage	-	23,982	23,982	(1)
Printing	-	3,475	3,475	(1)
Insurance	-	55,653		(1)
	-		55,653	(1)
Bank charges	-	3,750 6,182	3,750	(1)
Miscellaneous Total Other	***************************************	6,182	6,182	(1)
rotal Other	Well-skill Well-skill and a second and a second and delivers and	153,074	153,074	
Total Operation & Maintenance Expense	\$3,514,572	\$617,858	\$4,132,430	

# <u>UNAUDITED OPERATION AND MAINTENANCE EXPENSE FOR THE</u> <u>TWELVE MONTHS ENDED DECEMBER 31, 2013 ALLOCATED TO FUNCTION</u>

	Collection & Conveyance	Billing, Collection & Administrative	Totals	Allocation Reference
Salaries and Wages:			<u> </u>	(See page 13)
Board	\$ -	\$14,800	\$14,800	(1)
Secretary/clerk	-	103,960	103,960	(1)
District coordinator	-	65,084	65,084	(1)
District manager	-	12,249	12,249	(1)
District superintendent	61,964	· -	61,964	(2)
Operators and field personnel	580,290	-	580,290	(2)
Total Salaries and Wages	642,254	196,093	838,347	. ,
Employee Benefits:			<del>-</del>	
FICA	47,964	14,644	62,608	(3)
Group health and life insurance	193,489	59,076	252,565	(3)
Total Employee Benefits	241,453	73,720	315,173	· /
Purchased Treatment:				
Total Purchased Treatment	2,318,820	_	2,318,820	(2)
Materials and Supplies:				(-/
Office supplies, janitorial, and other	<del>-</del>	5,223	5,223	(1)
Operating and maintenance	89,867	, <u>-</u>	89,867	(2)
Total Materials and Supplies	89,867	5,223	95,090	(-)
Contractual Services:				
Legal services		16,700	16,700	(1)
Engineering services	26,488	2,943	29,431	(4)
Accounting services		5,350	5,350	(1)
Computer programming	-	38,273	38,273	(1)
Total Contractual Services	26,488	63,266	89,754	(*)
Repairs and Maintenance:			05,101	
Building and structures	14,264	1,585	15,849	(4)
Lift station equipment	60,898	**	60,898	(2)
Office equipment	-	4,263	4,263	(1)
Heating and a/c equipment	_	5,838	5,838	(1)
Total Repairs and Maintenance	75,162	11,686	86,848	(1)
Communications:			00,010	
Total Communications	14,573	14,573	29,146	(5)
Utilities:			22,110	(3)
Purchased power	241,813	26,868	268,681	(4)
Billing data	,5.2	24,847	24,847	(1)
Other services and charges	_	1,683	1,683	(1)
Total Utilities	241,813	53,398	295,211	(1)
Other:	22.12.50.12		273,2 X 1	
Other services and charges	_	84,738	84,738	(1)
Postage	_	26,766	26,766	(1)
Printing	_	1,327	1,327	(1)
Insurance	_	76,659	76,659	(1)
Bank charges		5,307	5,307	(1)
Miscellaneous	<u>-</u>	4,508	4,508	(1)
Total Other		199,305	199,305	(1)
A CHILL		177,300	177,505	
Total Operation & Maintenance Expense	\$3,650,430	\$617,264	\$4,267,694	

## **EXPLANATION OF ALLOCATION REFERENCES**

- (1) Allocated 100% to Billing, Collection & Administrative.
- (2) Allocated 100% to Collection & Conveyance.
- (3) Allocated pro rata based on labor allocation.
- (4) Allocated 90% to Collection & Conveyance and 10% to Billing, Collection & Administrative.
- (5) Allocated 50% to Collection & Conveyance and 50% to Billing, Collection & Administrative.

### ESTIMATED ANNUAL COLLECTION SYSTEM DEPRECIATION

Depreciable capital assets, December 31, 2010 (1):		
Sewers, manholes, and lift stations	\$50,045,191	
Maintenance equipment	477,695	
Vehicles	846,100	
Office equipment	180,312	
Total Depreciable Capital Assets, December 31, 2010		\$51,549,298
Add: Estimated cost of 2011 Lift Station Rehab and Upgrade Project		6,000,000
Total Estimated Depreciable Capital Assets		\$57,549,298
Times: Composite Depreciation Rate		2.50%
Estimated Annual Depreciation Expense		\$1,438,732

(1) Per 2008-2010 State Board of Accounts Examination filed April 20, 2011.































































































































































































































































































